

FBIS

DAILY REPORT

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ASETA: U.S. VIOLATES GEOSTATIONARY ORBIT

PA281823 Hamburg DPA in Spanish 1656 GMT 28 Feb 87

[Text] Bogota, 29 Feb (DPA) -- The Association of Andean State Telecommunications Enterprises (ASETA) today charged that the United States violated Colombia's geostationary orbit by placing a communications satellite there without asking Colombia's permission. The charge was made during an ASETA meeting, which concluded today in Bogota. The meeting's participants studied the technical possibilities to internationally defend project "Condor," a communications satellite that the five members of the Andean Pact (Bolivia, Ecuador, Peru, Venezuela, and Colombia) plan to place in orbit.

It was reported that during the world radiocommunications conference to be held in August 1988 in Geneva, Switzerland, the Andean Group will lodge its complaint against the United States because it believes that the U.S. action openly violates the international pacts established by that organization.

In addition, the U.S. satellite harms "Condor" because of the "unacceptable levels of interference in position 77.5 degrees west, where the Andean satellite will begin to operate at the beginning of the next decade," the ASETA document stated. During the ASETA meeting, the participants studied the technical means to support the "Condor" project in Geneva and they reiterated the need to defend the geostationary orbit.

MEXICO AGREES TO ASSIST C.A. ELECTRICITY SECTOR

FL202243 Mexico City NOTIMEX in Spanish 0434 GMT 20 Feb 87

[Text] Mexico City, 19 Feb (NOTIMEX) -- Through the Federal Electricity Commission (CFE), Mexico will provide support to electrification programs in El Salvador, Honduras, Nicaragua, and Guatemala. The agreement was signed at the CFE office where its director, Fernando Hiriart Valderrama, and the representatives of the executive committee of the Rio Lempa Water Resources Center, stressed the importance of the agreement.

During the ceremony, it was recalled that Mexico began its cooperation program in 1985 with the companies that form part of the national group of enterprises in the Central American isthmus to help solve the problems of the region's electrical system. It was also reiterated that the Central American Electrification Council held several meetings this month in Mexico City to review the actions to be taken in the energy sector.

During the meetings, which were hosted by ECLA, the value was noted of Mexico's advice and cooperation in the Central American electrification projects.

Representatives from electrical sectors of El Salvador, Honduras, Nicaragua, and Guatemala, who were accompanied by CFE technicians, today visited a CFE laboratory operating in Irapuato, Guanajuato.

Tomorrow, Friday, they are planning to visit the institute of electrical research in Cuernavaca, Morelos, where they will learn of Mexico's achievements in the energy area.

NAVY CHIEF OF STAFF ON TRIALS, SUBVERSION

PY031817 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1356 GMT 3 Mar 87

[Text] Buenos Aires, 3 Mar (NA) -- Navy Chief of Staff Admiral Ramon Arosa today warned that "some people have taken the spirit of revisionism (the struggle against subversion) too far, overstepping the advisable limits." He reasserted the surordination of the Navy to the constitutional authorities, and stressed that the Navy High Command "will not quit in its efforts to prevent the honor of its men from being unfairly tarnished by suspicion or lies."

In a speech delivered to mark the 130th anniversary of the death of Admiral Guillermo Brown, Arosa noted that the Navy leadership "will not abandon or dishonor those who fulfilled their duties in the difficult situations that arose during the war against subversion."

During a ceremony held at the heliport of the "Libertad" Building, which was attended by, among others Defense Minister Horacio Jaunarena, Arosa emphasized that "this is one of the most difficult moments experienced by our country and by the Navy in particular owing to the serious circumstances affecting some of its men. At this delicate time public accusations, which damage the whole institution, persist. These comments fail to recognize legitimate war actions needed to cope with an aggression that now seeks to extend its theater of operations throughout Latin America and Europe, using similar methods and indiscriminate violence."

"The Navy rejects those ambiguous and groundless accusations against its men and the claims made by the people defeated in the past who, taking advantage of the liberties under a democratic system -- liberties they would have not hesitated to destroy -- even resort to offenses and slander to conceal the failure of their nihilist project," Arosa added.

In his speech, which was widely anticipated because of the internal situation prevailing in the Navy as a result of the strict preventive custody in which 10 of its men are being held for repressive excesses committed in the Navy Mechanics School, Arosa pointed out that "the entire Navy is willing to put up with the unfair derision or scorn of its men which is the Navy's honor." Arosa stated that "as chief of staff, along with my admirals and commanders from all ranks, we are experiencing the most bitter moment in the lifetime of a chief: to see the trial of some of our subordinates who complied with orders received." "With this conviction, the Navy resorts to all its legal possibilities to defend the navy men and the men from the naval prefecture, both on active duty and retired, who have now been summoned by the courts," Arosa said.

Also present at the ceremony were Chamber of Deputies Defense Commission President Balbino Zubiri, Chaplain Msgr Miguel Medina, Naval Prefecture Chief Prefect Juan Mosqueda. Federal Police Chief Juan Pirker, and Army Deputy Chief of Staff General Jaime Sanchez.

BRAZIL'S SARNEY THANKS ALFONSIN FOR SUPPORT

PY031300 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0010 GMT 3 Mar 87

[Text] Buenos Aires, 2 Mar (NA) -- President Raul Alfonsin today received a message from his Brazilian counterpart, Jose Sarney, who thanked him for his support of the Brazilian decision to suspend interest payments on its foreign debt in order to promote domestic growth.

An official source this afternoon reported that Sarney thanked Alfonsin for "the favorable and brotherly ideas he expressed during a recent telephone conversation."

In the message that he sent today, Sarney told his Argentine counterpart that "your words clearly reflect the firmness of our personal relationship and the strength of the relationship existing between our two countries."

REPORT ON 25 FEB CEREZO NEWS CONFERENCE

PY272210 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2243 GMT 25 Feb 87

[Text] Buenos Aires, 25 Feb (NA) — Guatemalan President Marco Vinicio Cerezo Arevalo pointed out today the need "to promote an agreement among creditors" for interest payments on the Latin American foreign debt. He warned that suspension of payments "could have serious consequences for the developed nations."

In a news conference, Cerezo Arevalo revealed details of his talks with his Argentine colleague, Raul Alfonsin, saying that at the meetings they had noted "the strong political connotations of the foreign debt issue." Among the alternatives to the problem, he said, we discussed the suspension of interest payment, the partial suspension of payments, and the Peruvian proposal to pay only 10 percent of the interest.

Cerezo Arevalo then stressed the need "to induce" the developed countries, the home countries of the main creditor banks of the Latin American foreign debt, to promote "a process of assimilation of the debt" so that its financing will not hinder the development of debtor countries.

Changing subjects, President Cerezo Arevalo said that Alfonsin "favorably" viewed the creation of a Central American parliament "where all countries of the region would be politically represented. He expressed his approval of the peace efforts undertaken by the Contadora and Contadora Support Groups of which Argentina is a member.

In that regard he said that Contadora "has started to move into a second stage" because "through polarization and confrontation," Central America "has not been able to find a solution."

This afternoon, at his hotel in the Retiro neighborhood, Cerezo Arevalo granted a news conference during which he thanked the "Argentine people" for the welcome extended to him.

The Guatemalan president explained that the purpose of his visit was to hold talks and to make contacts in order to obtain "support for Guatemala's diplomatic action" in Central America through his country's active neutrality," to get the Argentine Government interested in the creation of regional parliament in Central America; and "to take some concrete steps toward unifying views on the foreign debt."

Cerezo Arevalo expressed satisfaction with the results of his visit, as well as recognition for the Argentine Government's gesture of donating 2,000 metric tons of wheat for a "march against hunger." This donation will benefit the needy in Guatemala.

According to the latest calculations, he warned, Central America will have to pay \$133 billion in interest alone, while the debt itself [word indistinct].

The "crisis this problem brought on "is beginning to show a positive aspect" the consolidation of regional unity, he said. Cerezo Arevalo pointed out that although the debtor countries "are in the position to weather a possible moratorium, the consequences could be terrible."

Referring to the Central American parliament, he asserted that its members will be democratically elected by each participating country, and that this fact should favor pluralism in Nicaragua, making room for "internal political opposition" in that country.

GOVERNMENT TO LEND \$200 MILLION TO PERU

PY252039 Buenos Aires BUENOS AIRES HERALD in English 25 Feb 87 p 3

[Text] (DYN) -- Foreign Minister Dante Caputo and Peruvian Ambassador Alfonso Grados Bertorini signed an agreement on Monday night whereby Argentina is to lend Peru 200 million dollars for the purchase of goods and services.

SPAIN APPROVES GUGLIELMINETTI EXTRADITION

PY021714 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1520 GMT 2 Mar 87

[Text] Buenos Aires, 2 Mar (NA) -- Spanish Justice Minister Fernando Ledesma Bartret today reported that the Spanish Government has approved the fourth Argentine request to extradite former presidential bodyguard Raul Guglielminetti, who is at large.

The Spanish justice minister made this announcement following a 1-hour meeting with President Raul Alfonsin at the Olivos residence.

Ledesma Bartret stated that Guglielminetti's extradition was agreed on last Friday by the Spanish Council of Ministers as a result of evidence supplied by the Argentine courts which accuse Guglielminetti of forging documents.

NEW SUPERCONDUCTOR REACHES RECORD TEMPERATURE

PY280257 Paris AFP in Spanish 0602 GMT 20 Feb 87

[Text] Buenos Aires, 19 Feb (AFP) -- The National Commission for Atomic Energy (CNEA) reported today that a new ceramic superconductor material developed in Argentina has broken the record for the maximum temperature facilitating the flow of electric current without resistance.

The experiment, conducted at the atomic center in Bariloche (1,700 km southeast of Buenos Aires), was similar to that conducted originally in Japan in November 1986, and repeated in the United States, when a record was established of 23 degrees Kelvin (over absolute zero).

The Argentine scientists reached a record of 26 degrees Kelvin using a new ceramic metallic material, a combination of lenthinum, barium, copper, and oxygen, capable of enduring a characteristic temperature close to 30 degrees on the same scale.

According to the CNEA, superconductivity is a property that some materials have of losing electric resistance at a certain temperature characteristic to each material.

To achieve very low temperatures, some gases, such as helium, are liquified. Helium is scarce and relatively expensive, and for this reason it is important to have compounds and alloys that can operate at the highest possible temperature.

This property has a great technological potential because it allows an electric current to flow without dissipating, and it is currently being used in the production of intensive magnetic fields in several areas, including that of medicine.

NUCLEAR PLANT PROPOSAL FOR ENTRE RIOS REVEALED

PY030141 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1404 GMT 2 Mar 87

[Text] Buenos Aires, 2 Mar (NA) -- A reliable source has revealed that, under a proposal soon to be submitted to President Raul Alfonsin by the NEA, a fourth Argentine nuclear plant would be located in Hernandaria, Entre Rios Province.

The source also said that the proposal will be based on the PHWR (Pressurized Heavy Water Reactor) Argos 380 Nuclear Plant Project, which was developed by the Argentine Nuclear Enterprise for Power Plants (Empresa Nuclear Argentina de Centrales Electricas -- ENACE).

For several reasons, according to the source, this project was given preference over the Atomic Energy of Canada Limited (AECL) project, which practically excluded itself because Canada would not authorize Argentina to export power plants manufactured in Argentina with pressure tube vessels [recipientes de tubos de presion]. CNEA President Alberto Constantini may have been informed of this decision by AECL Vice President Jaques Terrien at a recent meeting.

The purpose of the project, developed by ENACE, an enterprise in which CNEA owns 75 percent of the stock and the FRG KWU [Draft Work Union] Siemens Group owns the remaining 25 percent, is to export 380-MW Argos power stations that use pressure tube vessels.

According to Presidential Decree 432/86, on 21 March the CNEA should submit to the president of the nation a proposal for a nuclear power plant that uses a natural uranium-heavy water reactor to meet the country's objective of installing before the year 2000 the capacity to generate another 700-MW using atomic energy. The proposal should also suggest a site for the installation of the power station.

The source did not explain the reasons behind the decision to suggest that the power station be installed in Hernandarias, Nogoya Department, Entre Rios Province.

The cost of the Argos PHWR power station is estimated at \$900 million. The plant, which has a 40-year lifespan, can be built entirely in the country, according to information provided by ENACE.

The general characteristics of the Argos 380 PHWR power plant are similar to those of the Atucha II nuclear plant, which is scheduled to go into operation in 1992.

Argentina now has two nuclear power plants in operation: Atucha I (FRC technology) in Buenos Aires Province, and Embalse Rio Tercero (Canadian technology).

Under the agreement with the FRG to build Atucha II, Argentina can use the technology to develop its own nuclear power plants and export them, provided the purchasing countries sign the pertinent safeguards.

The model that will be submitted to President Alfonsin can be adapted to the power grids in countries that have attained an intermediate level of development and its cost will make it available to less developed countries.

BRIEFS

1986 UNEMPLOYMENT RATES -- Buenos Aires, 12 Feb (NA) -- The National Institute of Statistics and Census today informed that in 1986 the Argentine urban unemployment rate reached 5.2 percent and the underemployment rate stood at 7.3 percent. The active work force represented 38.9 percent of the total population. [Summary] [Buenos Aires NOTICIAS ARGENTINAS in Spanish 0015 GMT 13 Feb 87 PY]

1986 GDP GROWTH -- Buenos Aires, 19 Feb (TELAM) -- Economy Ministry sources have reported that in 1986 the GDP grew 5.5 percent as compared to that in 1985. In the last quarter of 1986, the GDP grew 4.1 percent. Sources stated that this data is preliminary but is completely reliable. [Text] [Buenos Aires TELAM in Spanish 2101 GMT 19 Feb 87 PY]

SENATOR DIES -- (NA-DYN) -- National Senator Alfredo Garcia (UCR-CHUBUT) died in Buenos Aires on Friday night as a result of a heart attack. Before becoming a legislator he held important official posts in his native province of Chubut and was Trelew mayor between 1983 and 1986 when he was elected senator for a term of nine years. [Text] [Buenos Aires BUENOS AIRES HERALD in English 22 Feb 87 p 15 PY]

NEW AMBASSADORS -- Buenos Aires, 19 Feb (DYN) -- The National Executive Branch today appointed Paulino Musacchio as ambassador to Jamaica and Nereo Ferrer as ambassador to Finland. [Excerpt] [Buenos Aires DYN in Spanish 1922 GMT 19 Feb 87 PY] Buenos Aires, 12 Feb (TELAM) -- The Government of Ireland has accepted the designation of Juan Jose Arias Uriburu as Argentine ambassador to the Irish Government. [Summary] [Buenos Aires TELAM in Spanish 0300 GMT 13 Feb 87 PY] Buenos Aires, 23 Feb (TELAM) -- Vicente Espeche Gil, the new Argentine ambassador to Algeria has presented his credentials to Algerian President Colonel Chadli Bendjedid. [Summary] [Buenos Aires TELAM in Spanish 1829 GMT 23 Feb 87 PY]

NEW PROTOCOL DIRECTOR -- Buenos Aires, 16 Feb (TELAM) -- Nicolas Adrian Sonschein today assumed the post of protocol director. He replaces Juan Jose Arias Uriburu who was designated Argentine ambassador to Ireland. [Summary] [Buenos Aires TELAM in Spanish 1438 GMT 16 Feb 87 PY]

COCAINE STOLEN -- Buenos Aires, 12 Feb (EFE) -- According to the daily LA RAZON from Buenos Aires, criminals today stole 20 kg of cocaine from the Port of Buenos Aires. Port authorities had seized and stored the drug. The criminals stole the drug after a gun fight with police who wounded and arrested two of them. [Summary] [Madrid EFE in Spanish 0327 GMT 13 Feb 87 PY]

JOINT U.S. MILITARY EXERCISES TO BEGIN IN BENI

PY032130 Paris AFP in Spanish 1444 GMT 3 Mar 87

[Text] La Paz, 3 Mar (AFP) -- General Gonzalo Saavedra, commander in chief of Bolivian Armed Forces reported today that joint Bolivian-U.S. military exercises will be held in Rurrenabaque, Beni Department, 700 km northeast of La Paz.

This will be the third joint Bolivian-U.S. military exercise. The first was held in March 1986, in the Chapare region of the Cochabamba Department where most of the nation's coca leaves, which are the raw material of cocaine, are produced.

In July 1986, U.S. troops arrived to help fight the cocaine gangs in an operation called "Bol-USA 2." They remained in Bolivia for 4 months.

Saavedra's announcement was made 24 hours after the arrival in Bolivia of 98 military personnel from the Inter-American Defense School, headed by U.S. General Paul Hodges. These officers will visit various regions of the country accompanied by several members of the Bolivian Military High Command.

BRIEFS

DRUG SEIZURE REPORTED -- Members of Cochabamba Department Directorate of Dangerous Drug Control have raided a house in Cochabamba and seized 15 kg of cocaine base and other items. Luis Claudio Hidalgo Rodriguez, Mariscal Anzoleaga, Nicolas Villca, and Mary Gladis Rodriguez Soria were arrested. In Chimore, police arrested Raul Quispe Mamani and seized 5.75 kg of cocaine base and other chemicals. In Ivirgarzama, UMOPAR [Mobile Units for Rural Areas] destroyed a cocaine factory and arrested Justino Sutichaina. In Santa Cruz de la Sierra, police arrested Signer Signesio Hurtado and seized 0.69 kg of cocaine. Ruben Dario Rivera Suarez and Paul Severiche Navia have been put at the disposal of the courts for trafficking 1 kg of cocaine base. [Summary] [La Paz EL DIARIO in Spanish 28 Dec 86 p 3 PY]

POLICE PROMOTIONS NOTED -- President Victor Paz Estenssoro has approved the list of promotions in the Bolivian Police. The following lieutenant colonels have been promoted to the rank of colonel: Jorge Paredes Ocampo, Freddy Ferrufino Garvizu, Jaime Rojas Vega, Luis Reynolds Mercado, Gonzalo Sanchez Achabal, Luis Prieto Quiroz, Carlos Cazarola Morales, Walter Espejo Sandi, Ramon Esprella Campos, Edwin Rojas Pedraza, Raul Vargas Alborta, Juddi Cassis Quirola, Rodolfo Aguilar Quiroga, Jorge Espejo Loza, Max Arteaga Balderrama, Ruben Esquivel Sanchez, Carlos Camberos Bolanos, and Atilio Bustos Avila. [Summary] [La Paz PRESENCIA in Spanish 27 Dec 86 p 7 PY]

NEW AIR FORCE COMMANDERS -- The new military commanders of Santa Cruz Department Air Force have been sworn in by General Jaime Zegada, who was confirmed as commander of the 3d Air Brigade, based in Santa Cruz. Lieutenant Colonel Rafael Berazain has been sworn in as commander of the 21st Air Force Group; Lieutenant Colonel Waldo Revollo as commander of the 32d Air Force Fighter Group; Colonel Jaime Saravia as commander of the 93d Artillery and Air Defence Group, based at Trompillo; Colonel Rogelio Cadena as commander of the 32d Air Force Group, based in Puerto Suarez, Colonel Luis Paredes as commander of the 61st Air Force Group, based in Robore; and Colonel Emilio Antelo as commander of the 62d Air Force Group, based in Villamontes. [Summar] [La Paz EL DIARIO 28 Jan 87 p 8 PY]

FUNARO DISCUSSES MEETINGS WITH U.S. OFFICIALS

PY032039 Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Mar 87 p a 25

[By special correspondent Gilberto Dimenstein]

[Text] Washington — Yesterday after meeting with World Bank President Barber Conable, Brazilian Finance Minister Dilson Funaro said: "The negotiations will be long and difficult." In his talks with U.S. Treasury Secretary James Baker and Federal Reserve Chairman Paul Volcker, Funaro made it clear that Brazil will not suffer a recession in order to pay its debt. He said that if new loans are not obtained, Brazil will honor its commitments out of its trade surplus. "Brazilian growth is not negotiable," Funaro said.

Speaking on Pennsylvania Avenue, outside the World Bank in Washington, Funaro said: "Everyone agrees on one point: Brazil needs to grow." Visibly discouraged, suffering from a cold, and wearing a heavy blue woolen coat, Funaro indicated that the U.S. Government has not supported the Brazilian position. Asked about Volcker and Baker's reactions, he said: "They must answer that question."

The truth is that the expected deadlock has occurred. The minister yesterday was given a welcome that was as cold as the temperature in Washington; that is 0 degrees. Through Deputy Secretary of State John Whitehead, the State Department announced the U.S. Government position in favor of an agreement, but only after agreement has been reached with the banks. Funaro disagrees with this position. He said: "We are not planning to hold negotiations with banks because the debt is of a political nature."

The United States has requested that Brazil implement an internal adjustment plan which, if possible, should be monitored by the IMF. Funaro said that this plan already exists, and he repeated time and again during his U.S. visit that the possibility of Brazil turning to the IMF has been completely ruled out. Speaking to U.S. journalists at breakfast yesterday, Funaro reaffirmed this position. He attempted to show the U.S. newsmen that Brazil has been austere in its public accounts, and that the Brazilian deficit last year "was lower than that of several developed countries." He gave figures about the Brazilian trade balance in an effort to show that Brazil has not gone "bankrupt." He added: "Brazil cannot go on just managing crises. We must find a permanent solution to our domestic situation." Once again, he outlined exactly what Brazil wants, and noted that a solution could be achieved by "expediting" loans by official banks.

The position stated by Funaro in his talks in the United States — which he will repeat tomorrow in London, where he and Central Bank President Francisco Gros will meet with their British counterparts — is that the international financial system is faulty. He said that despite its exceptional trade balance, Brazil was forced to suspend interest payments of its foreign debt in order to preserve its reserves.

Funaro will not find much support for the Brazilian moratorium in Europe, however, at least for the time being. "These will be preliminary talks," he said. Asked if he was in a hurry or if he was running out of time to hold negotiations, he merely said: "Everyone is trying to reach an agreement."

In his news conference, Funaro showed moderation, and jokingly repeated some of the remarks he made in Brazil, such as: the moratorium is "a one-way street," and that if there are retaliations, even the remittance of profits by enterprises will be suspended. In his talks with Reagan's advisers, Funaro asked for understanding and expressed his willingness to negotiate, but he made it clear that the Brazilian position is "irreversible."

To negate or reduce the shock caused in the United States by the Brazilian decision to freeze interbank credit lines, Funaro and Gros sought to minimize the decision and noted that in fact, only those foreign banks that refuse to honor previously signed contracts or renew loans run the risk of a delay in collecting their money. Speaking to U.S. Newsmen, Funaro said yesterday: "No one will benefit from a confrontation."

ECONOMIC CRISIS AFFECTS ARMED FORCES PLANS

PY031250 Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Mar 87 p a 10

[By reporter Roberto Lopez]

[Text] Coming in the middle of an economic crisis, which began in the second half of last year, the moratorium, along with the uncertainty it created in Brazil's relations with creditor countries, has directly affected some important programs for the modernization of the Armed Forces. These programs depend on foreign credit. Last Tuesday, 24 February, the military ministers and the industry and commerce minister decided to abandon the idea of building a large helicopter factory in the country.

For the Army, the crisis can affect the acquisition of antiaircraft missiles and electronic warfare equipment. For the Navy, the purchase of an icebreaker and 100 new torpedoes is jeopardized. For the Air Force, the country's economic difficulties may lead to less sophisticated and less expensive solutions. FOLHA has learned that the Brazilian Air Force (FAB) is negotiating with France the purchase of fewer Mirage fighters than is needed to reequip its only supersonic squadron (headquartered in Anapolis, Goias State): just five planes.

Each Mirage costs less than \$2.0 million, but its final price could be higher. The planes in question are part of the French Air Forces' surplus stock, and they have not been flown for quite some time. Therefore, the FAB will have to pay to have them remodeled. The Air Force is also interested in purchasing U.S.-made F-5 fighters, but possible financing problems abroad could hinder the proposed purchase of 35 of those planes.

The lack of foreign credit may also compromise Army Minister General Leonidas Pires Goncalves' project to establish in Brazil a plant to manufacture missiles against low-flying targets. The result of bids that were called in the last quarter of last year is not yet officially known.

Because of the shortage of resources, last week General Diogo Figueiredo, chief of the War Materiel Department (DMB), slowed down the program for the acquisition of sophisticated electronic war equipment intended to train personnel. The Army was ready to spend approximately \$7 million on that equipment.

Actually, Gen Figueiredo's decision was not dictated by the uncertainty in the financial area alone. The DMB could not clearly determine the advantage offered by each of the eight foreign suppliers who showed interest in selling and training Army personnel in electronic warfare. The bid that was received most favorably was made by the FRG enterprise Rhode and Schwartz. Other firms that submitted bids were the FRG's AFC Telefunken Company, the French Thomson Company, the U.S. Singer Company, the British Racal Company, as well as Italian and Israeli companies.

The Navy, which is more dependent on the international market than are the Army and the Air Force, will have serious problems. One of them will be to find a viable way to finance the construction of an icebreaker in Brazil, to replace the old Barao de Teffe (a European cargo ship that was adapted to operate as a ship for polar explorations).

In the last half of 1986 the Navy requested two lines of foreign credit: one for the construction of the icebreaker and another for the purchase of equipment for the icebreaker's research laboratories. The cost of the icebreaker alone is estimated at \$60 million. An FRG offer to supply the Navy with a ship of the Polar Stern class (a polar research ship of the FRG Navy) was turned down because it was too expensive.

One of the possible solutions the Navy found to the problem of funding was to turn the icebreaker construction project over to the Interministerial Sea Resources Commission (CIRM) -- to divide the cost among various ministries. However, the Navy will have to go it alone if it wants to go ahead and purchase 100 torpedoes for its submarine squad, a plan with a minimum price tag of \$150 million.

Complications in Brazil's economic relations with its creditors cast doubts on the possibility of raising the money necessary for priority programs, such as the development of a compact nuclear reactor for the Navy's first atomic submarine, the development of a surface-to-surface missile capable of replacing the French "Exocet," and even the construction of the three IKL submarines, using FRG technology, in the navy shipyard in Rio de Janeiro.

Among programs that have been approved and that are under way, which depend on foreign financing, are the installation of the missile manufacturing plant Orbita (which will be located in Sao Paulo), the manufacture of antitank missiles, using Italian technology, and air-to-air missiles -- both the antitank and air-to-air missiles will be developed by Orbita -- and the selection of weapons (cannons and missiles) for the new bomber-fighter AMX.

PRODUCTS, SERVICES TO BE EXHIBITED IN HAVANA

PY191104 Brasilia Domestic Service in Portuguese 2200 GMT 18 Feb 87

[Text] Another step has been taken concerning the development of the trade relations between Brazil and Cuba.

[Begin relay] Nearly 20 Brazilian businessmen met with the director of the Havana Convention Hall, Mario (Zori), to plan the first exhibition of Brazilian products and services in the Cuban capital on 18-22 May. With the support of the Brazilian Association of Commercial Exporters, the Chamber of Foreign Trade Federation, the Cuban Chamber of Commerce, and the Cuban Foreign Trade Ministry the fair will exhibit Brazilian products and services the Cuban Government might want to import. Joao Augusto de Souza, president of the Chamber of Foreign Trade Federation, who participated in these meetings, described the products and services that dare to be exhibited.

[Begin Souza recording] Perhaps [words indistinct] high-technology finished products and computer services are the fields which we can exhibit to our Cuban friends. [end recording]

The exhibition will occupy 3,000-square meters of the Havana Convention Hall. According to the Havana Convention Hall director, Mario (Zori), the Cuban Government considers the exhibition as the most important in 1987. [end relay]

MAN ACCUSED OF KILLING PRESIDENT'S BODYGUARDS

PY040152 Paris AFP in Spanish 1407 GMT 3 Mar 87

[Text] Santiago, 3 Mar (AFP) — The Chilean Government announced here today the arrest of the leftist subversive who allegedly killed five presidential bodyguards during the attack on President Augusto Pinochet on 7 September 1986. The person charged is Mauricio Arenas Bejas who was arrested in Santiago on 19 February after he was wounded in a shoot-out with agents of the CNI [National Intelligence Center], the secret police of the military government.

An official communique stated that the investigation conducted later established that during the ambush of the president, Arenas fired a LAW [light antiarmor weapon] rocket that destroyed and set afire the car carrying the bodyguards.

So far, the security services have arrested 5 of the 21 subversives who participated directly in the attack, including Mauricio Arenas' brother, Hernan. Nearly 20 accomplices and abettors are also in jail awaiting trial.

The clandestine Manuel Rodriguez Patriotic Front, labeled by the government as the armed branch of the outlawed Chilean Communist Party, has claimed responsibility for the attack on Pinochet, which was staged on a rural road near Santiago.

Government: Accused Had Help

PY040233 Santiago Domestic Service in Spanish 2200 GMT 3 Mar 87

[Text] Dinacos [Government Social Communications Agency] has released a communique stating that terrorist Mauricio Arenas did not act alone in killing five presidential bodyguards. The following is the text of the communique:

Regarding a communique released by this division on 2 March 1987, describing the participation of the terrorist Mauricio Favio Arenas Bejas in the attack on President Pinochet, it is necessary to state that this individual is not the only one responsible for the deaths of the five bodyguards. Investigations have shown that Mauricio Arenas is one of the killers, but not the only one, because it is publicly known that many terrorists participated in the ambush against the president. The degree of their participation is still being investigated by the ad hoc military prosecutor, Fernando Torres Silva.

GOVERNMENT RESPONDS TO HUMAN RIGHTS REPORT

PY031703 Santiago Domestic Service in Spanish 2200 GMT 2 Mar 87

[Excerpt] The Foreign Ministry has released an official report on the Chilean Government's response to the report issued by UN Special Observer Fernando Volio. The document released by the Foreign Ministry stresses the discriminatory [selectiva] manner in which the international organization deals with the human rights issue in Chile. The Chilean Government's response will be presented by Ambassador Mario Calderon [Foreign Ministry special adviser] who will participate in the 43d conference of the UN Human Rights Commission to be held in Geneva.

The first part of the response states that once again the procedure that the Human Rights Commission uses on Chile with no valid justification has been of an ad hoc discriminatory nature, departing considerably from the regular procedure established in Resolution 1503 of the Economic and Social Council.

The ad hoc procedure applied to Chile is so objectionable, because it allows such an important matter to be handled in a subjective manner. No matter how honorable the person involved may be, he is still an individual with his own ideas. In addition to maintaining our position and objection, Chile is cooperating, in an unrestricted manner, with current special adviser Fernando Volio. [passage indistinct]

The Chilean response adds: Our observations go beyond the circumstantial case of Chile, because we are convinced that the manner in which these ad hoc procedures are being used bring no benefit whatsoever to the human rights cause, to the contrary, it has a negative impact.

In fact, is it permissible for countries such as Mexico, Cuba, and others, that have never respected human rights, to assume the role of prosecutors and judges of other countries? Mexico is precisely the country that dares to submit a bill against Chile.

Is it permissible for countries that have never cooperated with the international organizations, to pretend to impose on others what they do not themselves do? And is it permissible for countries that openly promote and shelter terrorism, one of the main attackers of human rights in our contemporary history, to also assume the role of prosecutors and judges of others? [passage omitted on previously reported material]

JUNTA ACCEPTS COURT DECISION ON PARTIES BILL

PY031435 Madrid EFE in Spanish 0128 GMT 2 Mar 87

[Text] Santiago, 2 Mar (EFE) — In a special session, the Chilean Government Junta today accepted the Supreme Court's decision regarding the bill on political parties. This bill will be submitted to President Augusto Pinochet tomorrow. This announcement was made today by Navy Commander Admiral Jose Toribio Merino, who is also the president of the Junta. Under the current Chilean Government, the junta performs legislative functions.

The Supreme Court declared 15 of the 69 articles of the bill, drafted by the Junta, partially or totally unconstitutional. The bill seeks to legalize the political parties that were abolished after the 1973 coup.

Adm Merino explained that the Government Junta agreed to accept the Supreme Court's decision and to submit the bill without change to the executive branch which can promulgate the law or return it to the Junta for further study.

Interior Minister Ricardo Garcia who attended the junta's special session said that the government will promulgate the law on 11 March.

More on Parties Bill, Letelier

PY031500 Santiago Radio Chilena in Spanish 2200 GMT 2 Mar 87

[Text] In a special session, the Government Junta accepted the Supreme Court's decision regarding the bill on political parties which is going to be submitted to the executive branch tomorrow.

This information was disclosed by Admiral Jose Toribio Merino in the Diego Portales Building. Merino was asked about the decision made by Supreme Court President Rafael Retamal regarding the changes to the bill. He was also asked about the problems that people who return from exile have finding work, about value added tax, and pollution in Santiago.

[Begin recording] [Merino] I fully agree with the Supreme Court president that [words indistinct] because you know that in the past 14 years we have practically modernized all the laws of the country. The obsolete laws and codes have been modernized, but I agree with the position of Supreme Court President Rafael Retamal. There are still some laws which are no longer applicable, because they either punish or do not punish some actions.

[Reporter] Does this include the law in exile?

[Merino] I do not know. According to the law of the country, it is up to the executive branch to change the laws. We study the laws, We have been studying the laws. There are laws now under study. [end recording]

Admiral Merino was also asked about the statement made in Washington by Armando Fernandez Larios who admitted his participation in the murder of former Foreign Minister Orlando Letelier.

[Begin recording] [Merino] No, I am not aware of it.

[Reporter] You are not aware of his statements?

[Merino] No I am not, I do not know him either.

[Reporter] What is your opinion about the reopening of the Letelier case?

[Merino] He died, what else can I tell you. [end recording]

Regarding the Law on Electoral Registry, Admiral Merino said that the registration is working perfectly. He added that the sooner people register the faster we are going to have people with the right to vote.

BRIEFS

NEW DEMOCRATIC COALITION — Apolonides Parra, president of the National Democratic Party (PADENAO) has signed a declaration announcing the coalition of his party with the Radical Democracy Party to form a federation of the center to register as a political party within the framework of the present laws. [Summary] [Santiago LA SEGUNDA 10 Feb 87 p 7 PY]

CEPE TO PRESENT CONGRESS ITS 1987 BUDGET

PA281919 Quito Cadena Ecuador Radio in Spanish 1255 GMT 27 Feb 87

[Excerpts] The budget of the Ecuadoran State Petroleum Corporation, CEPE, after receiving the board's approval with a 42 percent increase over last year, will be submitted to the legislature in the next few days so that the budget committee may review the terms of the documents. CEPE estimates its budget to be over 111 billion sucres. Of this significant budget figure, CEPE has a financial contract worth over 4.5 billion sucres. The remaining amount is being negotiated with credits, barterings, or other means.

CEPE's largest budget expenditure for this year is 47 billion sucres, which will be spent to import oil by-products to supply domestic consumption. These by-products to supply domestic consumption. These by-products are: gasoline, diesel, and aviation fuel.

CEPE's manager Carlos Romo Leroux said that part of the institute's budget increase is due to the workers wage adjustment. CEPE's hundreds of employees will absorb 4 percent of the overall budget in wages -- some 5 billion sucres. Of CEPE's overall budget, 78 billion sucres will be invested in operation projects, 28 billion for investments, and the significant sum of 4.51 billion will be used for servicing the debt. [passage omitted]

CEPE's 1987 goals are ambitious: for exploration, more than 2,500 kms [word indistinct] lines will be laid, and 3 exploration wells will be drilled by CEPE in Paraiso, Cantagallo, and Frontera fields. In addition, 17 development and scouting wells will be drilled in 9 fields in the eastern region. With a \$30 million investment, artificial extractions will be made at the Bergmejo and Libertador fields.

With the expansion of the Esmeraldas refinery and completion of the Amazonas refinery -- the two works scheduled for 1987 -- crude oil production will be increased by 100,000 barrels a day. The Esmeraldas expansion will yield 90,000 barrels a day and the Amazonas, which will serve the eastern region, will produce 10,000 barrels a day. Romo Leroux said that this is the production capacity. [passage omitted]

The CEPE manager made an optimistic announcement: During 1987, the corporation will optimize the gas plants at (Sochistindi) and Esmeraldas, which together yielded, until December, an average of 350 tons of gas a day. By hooking up to the Secoya field, 15 million cubic feet of gas which are being burned and wasted will instead be recovered. The project calls for an investment of \$20 million, and by a modern process, 150 tons of additional gas could be recovered. National demand amounts to 650 tons a day, and even with great efforts, it will not be possible to meet internal consumption demands, so gas imports will continue.

Another important announcement made by Romo Leoux is that in 1987 expansion work on the oil pipeline will begin with a capacity of up to 350 and 450,000 barrels [figures as heard]. The project is to be financed by the World Bank.

Referring to the goals of the foreign companies that are exploring in the country, Romo Leroux said they will explore seven wells and will (?make soundings of) 500 kms of [word indistinct]. He also said that there was a company interested in exploring out at sea in the Guayaquil Gulf. Negotiations will be concluded in about 6 weeks with the [word indistinct] company, and it is estimated that the U.S. company will drill its first well in the Friendship Field in the Guayaquil Gulf during 1987. [passage omitted]

Finally, it was announced that following the initiative of CEPE and six foreign companies that operate in the country, a training, teaching, computing, and information processing center in English will be created. CEPE said that with funds originating from foreign company payments, \$4 million will be obtained, which will be used to rebuild or, in some cases to construct, four training centers, distributed in Quito, Guayaquil, Esmeraldas, and in the eastern region. The training centers will have different courses for oil auditors, managers, and others. As at Esmeraldas, instrument handling, electronic controls, and welding will be taught. The Amazon center will only train personnel working for the corporation in different petroleum-related work.

According to Boris Abad who is in charge of the project, if the center is properly run, it will be extended to include Latin America. [passage omitted]

BANK OFFICIAL SEES NO JOINT DEBT MEASURES

PA012300 Madrid EFE in Spanish 0316 GMT 1 Mar 87

[Text] Quito, 28 Feb (EFE) -- Carlos Julio Emanuel, manager of the Central Bank of Ecuador, has asserted here that "it would be useless" for the Latin American debtor countries to adopt joint measures concerning the problem of their international financial pledges.

The manager said: "Ecuador does not oppose a dialogue among debtor countries," but "the difference in circumstances makes it difficult to reach an agreement on crucial matters."

The official gave an example: "Countries like Ecuador, Mexico, and Venezuela have a foreign debt and are oil exporting countries, but others like Costa Rica and Brazil also owe money to foreign banks, and are not crude oil exporters."

"These countries cannot sit at the same negotiating table, given the nature of their problems and economic differences; they could hardly adopt a joint position concerning foreign debt terms and negotiations," he added.

Nevertheless, the official did not rule out the need for a dialogue among debtor nations to break the "secrecy" which is maintained about the problem. "It is positive to talk, and we will continue to do it," he said.

Ecuador has an \$8.6 billion debt and is currently facing an economic crisis due to the drop in oil prices, its main export product. However, government officials have repeatedly stated their firm decision to fulfill the foreign debt payments.

FURTHER REPORTAGE ON OPPOSITION MEETING IN MADRID

Nation's Economy Viewed

PM031216 Madrid ABC in Spanish 25 Feb 87 p 28

[Sylvia Carrasco report: "For Freedom in Paraguay: Economic Structure Supports Dictatorial System"]

[Text] Madrid -- Subsistence wages, the trade deficit, the foreign debt, and monoculture were just some of the problems broached at yesterday's session devoted to Paraguay's economic situation during the Meeting for Democracy being held in Madrid, and attended by representatives of all the country's opposition groups. Paraguay can emerge from its present economic crisis only with the establishment of democracy.

Paraguay's industrial apparatus serves to bolster Alfredo Stroessner's "corrupt fascist" regime, according to Paraguayan engineer Ricardo Canesse, a member of the Febrerista Revolutionary Party, in his remarks yesterday about his country's economic situation.

The year 1981, or thereabouts, saw the end of the period of "expansionism" generated by the construction of the Itaipu hydroelectric power plant and the influx of foreign capital. Now everyone except the regime's supporters agrees that it only served to provide jobs for 4 years and, in the long term, to provide cheap electricity for Brazil.

Later a similar project was planned at Yacyreta on the Parana River, but construction is encountering serious difficulties because international circumstances are changing and foreign creditors are not lending money so readily.

The seriousness of the economic crisis emerged clearly yesterday when economist Jose Carlos Rodriguez stressed that the two basic products -- cotton and soybean -- are suffering the impact of falling international market prices. There was a time when these two products accounted for 80 percent of export revenue.

In 1986, industrial output fell by between 2.5 and 8 percent, depending on the source of the statistics. Only basic services owned by state enterprises experienced some growth.

Moreover the balance of payments deficit is \$160 million. Export revenue (\$260 million) is largely absorbed by interest payments on the debt (\$165 million).

Paraguay's foreign debt is considerably smaller than that of other Latin American countries but still very large bearing in mind its population. In 1986, the foreign debt totaled \$1.89 billion for a population of 3 million. Inflation reached 31 percent in 1986, as opposed to 25 percent the previous year.

Although the rise in the minimum wage was revised twice last year, the average income is still below that figure. Jose Carlos Rodriguez stressed in this connection that in his country the cost of living is twice the minimum wage.

Perhaps the worst aspect of the crisis is that solutions to these problems would conflict with Stroessner's apparatus. Among other reasons, because the government offers products of exporters (mostly supporters of the regime) at an exchange of 240 guaranies to the dollar, whereas on the open market the exchange rate is 700 guaranies to the dollar.

Moreover smuggling, inadequate tax revenue (according to Ricardo Menesse, the military that makes the laws refuses to pay taxes), credit restrictions, and punitive financial conditions (only the public sector is subsidized) are preventing the growth of investments. Currently three major public enterprises are in financial straits.

An end to the promotion of the public sector would mean opposition to those who permit the dictatorship's survival, Menesse concluded.

Furthermore, several representatives of Paraguay's social movements expressed their outrage yesterday at the Stroessner regime's reprisals and agreed on the need to rally forces, because "isolated struggles are eventually stifled."

Political Situation Surveyed

PM031538 Madrid EL PAIS in Spanish 26 Feb 87 p 10

[Carlos Tarsitano report: "Paraguayan Opposition Urges Unity Against Stroessner and Advocates Peaceful Transition"]

[Text] Madrid — The Meeting for Democracy in Paraguay ended in Madrid yesterday with a declaration urging Paraguayans to achieve "a joint platform and solidarity" against General Alfredo Stroessner's regime and advocating "a peaceful transition" for the restoration of a constitutional state in Paraguay. Representatives of opposition political parties and social and cultural movements attending the meeting spent 3 days discussing the situation in Paraguay in "an atmosphere of respect for pluralism," according to the "Madrid Declaration."

During yesterday morning's talk on the "Transition to Democracy in Paraguay" Febrerista Revolutionary Party (PRF) leader Euclides Acevedo stressed the need for the opposition to the Stroessner regime to form a democratic front.

This front, he said, must embrace "all political parties — except those working to perpetuate the dictatorship — and the social and cultural movements."

Acevedo, leader of the socialist faction within the PRF — a political group outside Stroessner's parliamentary system — described the political transition as "a means of controlling the crisis" with the aim of establishing "a pluralist and participatory democracy." He added that his party advocates a peaceful and negotiated transition.

In view of the crisis currently affecting the Stroessner regime, the political and social opposition must establish "a leadership that will seek a democratic pact — not a mere superficial arrangement — with the government." "But," Acevedo added, "in order for this government to negotiate it must be weakened through mobilization and the politicization of social conflicts."

During this process of preparation for a political transition in Paraguay, the opposition will "inevitably" have to deal with "the political vacuum left by Stroessner's departure," Acevedo said. In conclusion, he said that "a planned transition" depends on the prior "recovery of freedoms and the signing of a democratic pact" and aim at "the establishment of a democratic state in Paraguay — a country which, after seven civil wars and two wars with other countries, has had absolutely no previous experience of democratic systems."

For his part, Authentic Radical Liberal Party (PLRA) leader Gustavo Laterza began his remarks with the following significant account: "When I was 9 years old, I used to hear my parents talking about the end of Stroessner's regime. Now at 40 I am still hearing the same thing."

"But now there is a difference: Now we are not interested in Stroessner's physical elimination. We are not talking about revolutionary solutions."

Laterza added: "We want to dismantle the diabolical machinery that the despot has constructed. We do not want him to die, but we want to witness his defeat." Together with the PRF -- which is affiliated to the Socialist International -- the Colorado Popular Movement, and Christian Democratic Party, the PLPA makes up a coalition of opposition parties bound by an agreement on a number of basic demands, called the National Accord. One of the points is abstention in the elections held by the regime every 5 years, which ensure the continuity of Stroessner's presidency of Paraguay.

Laterza said that in Paraguay's case "to talk about a transition now implies a process that is neither brief nor quick but gradually achieved by everybody in order to start dismantling the regime." He also said that "it is not yet a struggle for political power or a struggle to impose a political and ideological model. It is simply a union of forces that are trying to dispel fear; a union of Paraguayans of all political and social forces opposed to Stroessner."

During the ensuing debate one of the participants said it was necessary to "define specific objectives since the fact is that the regime is strong."

POLICE SEIZE OPPOSITION LEADERS' DOCUMENTS

PY031703 Asuncion HOY in Spanish 24 Feb 87 p 6

[Text] Police posted at the "Presidente Stroessner" international airport yesterday seized several personal letters from Miguel Abdon Saguier, an opposition politician of the PLRA, who was returning from Brazil after meetings with several Brazilian congressmen.

"They also seized some letters from Brazilian attorney Belisario dos Santos which were addressed to Dr Justo Prieto, and dealt with the Constituent Assembly sessions being held in Brazil," said Saguier. He added that "the operation was conducted by a deputy inspector named Gonzalez, who did not even have the courage to give his name. These procedures are typical of police regimes because Article 69 of the Constitution, which guarantees private property, has been blatantly violated."

Dr Saguier also stressed that when he asked Deputy Inspector Gonzalez to give him an explanation, the latter reacted "in an arrogant and scornful manner instead of being shameful about his actions, since he was committing a public offense."

"Don't shout. We are all Paraguayans here and you know how we act here. This was his response," Saguier said.

PRF President Fernando Vera, who returned yesterday after participating in the "Meetings for Democracy in Paraguay" which were held in Madrid, said: "I was subjected to a very thorough search at the international airport during which they seized documents on the Madrid meeting and two letters addressed to the Spanish and French ambassadors."

Vera added that the text of the Paraguayan Constitution, with comments by Dr Justo Prieto, party documents, the PRF declaration of principles, and several other documents were also seized. "Despite the control to which I was subjected I was able to bring in the 'Madrid Declaration,' which, among other things, states that the regime is incapable of solving the country's problems because of the interests within the regime itself," Vera added.

"The official who conducted the search was Inspector Benitez. He told me that I have to go to the Investigative Department to ask for the return of my belongings. He told me that I have to see Mr Cantero," said Dr Fernando Vera.

Concerning the discussions held in Madrid, Vera reported that the document signed by the participants contains proposals for the formation of an antidictatorial and democratic front based on pluralism and respect for the independence of the social, political, and trade union organizations.

INTERIOR MINISTRY REPORTS ON GALAVERNA CASE

PY031736 Asuncion EL DIARIO in Spanish 28 Feb 87 pp 8, 9

[Text] The Interior Ministry yesterday replied to the request for information submitted by Judge Modesto Elizeche Almeida in the petition for a court injunction filed on behalf of Juan Carlos Galaverna. Galaverna's 16 February attempt to return to the country was thwarted by police. The Interior Ministry's document states that there are indications that Galaverna is linked "to terrorist organizations."

The report states that "in the municipal elections held throughout the country on 20 October 1985, Juan Carlos Galaverna was elected as a councilman of the Ypacarai City Council for the 1985-90 period. On the first session of that organization, held on 31 October 1985, Galaverna was elected president of the city council."

It adds that "on 11 September 1986 this ministry learned through the Argentine Embassy in Paraguay, that Juan Carlos Galaverna had asked for asylum and that he was staying at that embassy. The Argentine Embassy also sent this report to the Foreign Ministry of our country. At that time the Argentine Embassy was told that no arrest warrant had been issued against Galaverna and that he was not the object of persecution. The embassy was clearly told that the Interior Ministry granted all guarantees to Galaverna to leave the embassy and to remain in the country."

"Later the Argentine Embassy told this ministry of Galaverna's decision to leave Paraguay, requesting at the same time authorization for embassy personnel to accompany him to the border. Considering this decision and the request, the embassy was told that just as Galaverna has guarantees to remain in the country, he also has them to leave. He was consequently authorized to leave the country," the report states.

It adds that "in view of Galaverna's strange attitude, the state security organizations engaged in a thorough investigation of his activities, which resulted in serious indications that he is linked to terrorist organizations -- especially the Communist Party -- which operate abroad, and which plan criminal acts, namely attacks, especially on high-ranking Paraguayan officials."

"Due to the seriousness of the situation, the investigations continue. A few days ago it was learned that Galaverna would try to return to the country again. This in fact took place on 16 February 1987, but he was prevented from entering the country because the government considers this measure appropriate until the security services manage to clear Galaverna's responsibility in those events," the Interior Ministry's report concludes.

Colorado Party Deputy Luis Becker, of the city of Ypacarai, has rejected the Interior Ministry's report and termed it rash, malicious, and biased. He added that "the Colorado Party members of Ypacarai will never become terrorists, because we always acted with our heads held high, and Galaverna is an authentic Colorado and a model democrat."

SALDIVAR DISCUSSES ALADI MEETING, DEBT ISSUE

PY031336 Asuncion LA TARDE in Spanish 24 Feb 87 p 10

[Text] Asked about the position that Paraguay will adopt at the ALADI meeting of foreign ministers to be held in Montevideo, Uruguay, Paraguayan Foreign Minister Carlos A. Saldivar yesterday said: "We are an integrationalist country and will act accordingly during our bilateral negotiations with the other countries."

He added: "Our participation in ALADI is governed by well-defined rules, and, under these rules, we have well-defined political and economic positions. We are trying to make this participation profitable for the Paraguayan people and for our economy through the sale of our products and the lifting of tariffs on these products. The other governments represented in the ALADI have always shown a good disposition toward us," he emphasized.

"Technically," the ALADI meeting will start next week, Saldivar reported. He added: "From the political point of view, the meeting will start on 10 March, with the presence of the foreign ministers." The regional institution is comprised of Paraguay, Argentina, Bolivia, Brazil, Colombia, Chile, Ecuador, Mexico, Peru, Uruguay, and Venezuela.

When asked to comment on the Brazilian and Argentine positions regarding their foreign debts, Minister Saldivar said: "We have supported the Brazilian position on its foreign debt for a long time because more than 10 percent of that debt is related to the construction of the huge Paraguayan-Brazilian Itaipu Dam. We also support the Argentine position, because, to continue the construction of the Yacyreta dam, the builders need more credits, which must be endorsed and guaranteed by the Argentine Government, as established by the treaty."

The foreign minister then added: "For this reason, we support the position of these two countries, within the framework of the Consensus of Cartagena, and in their negotiations with the international credit organizations."

It was reported in Montevideo that the ALADI meeting will be held in Montevideo from 10-12 March, and that its objective is to define the institution's policy, to make it conducive to the economic reactivation of the member-countries, by promoting production, technology, and trade.

BRIEFS

NEW SWEDISH AMBASSADOR -- Ethel Gunhild Wiklund, the new ambassador of Sweden in Paraguay, yesterday presented her credentials to President Alfredo Stroessner at Government Palace. [Summary] [Asuncion PATRIA in Spanish 14 Feb 87 PY]

GOVERNMENT DELEGATES NAMED -- According to executive branch Decree No 19,897, Police Inspector Bernardino Caballero has been designated to head the government delegation in Alto Parana Department in place of Lieutenant Colonel Antonio Sarubbi;; Francisco Vogado has been designated to replace Bernardino Caballero in Amambay Department; and Rene Molas has been designated as the government delegate in Caaguazu Department in place of Francisco Bogado. [Summary] [Asuncion EL DIARIO in Spanish 14 Feb 87 p 12 PY]

MINISTER DISCUSSES DIFFICULTY OF FIGHTING TERRORISM

PY040101 Paris AFP in Spanish 1852 GMT 3 Mar 87

[Text] Lima, 3 Mar (AFP) -- Interior Minister Abel Salinas admitted that Peruvian intelligence services are incapable of combatting terrorism, according to the local press. The minister made this comment while announcing that a Shining Path guerrilla fighter identified as Comrade Clara and another member of that group are wanted for the attempted attack last Saturday [28 February] on Government Palace with a makeshift mortar.

Salinas explained that the struggle against terrorism is very difficult -- no one has a crystal ball to predict where, when, or at what hour an attack will take place; they can occur at any time and any place.

The Civil Guard reported that last night unidentified terrorists left a bomb in the downtown San Agustin Church, while in the heavily populated Lima neighborhood of Villa El Salvador a Tupac Amaru Revolutionary Movement (MRTA) commando took over a radio station and transmitted a proclamation inciting armed struggle.

Security and control measures were increased at Government Palace, as was the protection of Social Democratic President Alan Garcia because of the 3-week wave of terrorism, which has included nearly 100 attacks, 2 of which were unsuccessful attempts on the president's life.

Salinas said that so far, police have not arrested any of the four Shining Path members, two men and two women, who took over an old building less than 200 meters from the presidential residence, took 18 hostages, launched petards that exploded harmlessly in the Plaza de Armas, and killed a Civil Guard policeman as they fled.

The interior minister said the group that perpetrated the attack last Saturday comprised inexperienced youths who had recently joined the Maoist guerrillas. He added that one of the terrorists fell on one of the mortars, detonated an explosive thereby injuring his arm. He also explained that the inadequacy of the intelligence services in the face of the subversive problem does not mean they are failing in the struggle against terrorism.

Salinas stated that it has not been officially determined whether there is any connection between the 13 February raid on three Lima universities, which were suspected of being centers of terrorism, and the recent surge of terrorist activity. But it is strange, he said, that the wave of attacks occurred shortly after the raids and shortly after the release of those who were arrested in the raids.

In the raids, which were criticized by the opposition because very little subversive material was found, 793 students were arrested, of whom 50 are still being investigated.

BRIEFS

OIL WELL BEGINS PRODUCTION -- Lima, 19 Feb (AFP) -- Today the Occidental Petroleum Company (OXY) announced the inauguration of a new oil well in the Peruvian Amazon jungle which produces 8,569 barrels of clean crude oil, at 22.5 degrees API [American Petroleum Institute], per day. OXY sources said this oil well is the fourth to have begun production since September 1986 under the new service contract signed with the Peruvian Government in March 1986, reaching a total of 83,000 barrels per day, or 20,000 more than at the end of 1985. [Summary] [Paris AFP in Spanish 0337 GMT 20 Feb 87 PY]

POLL SHOWS DROP IN OPPOSITION TO FULL STOP LAW

PY281232 Paris AFP in Spanish 0352 GMT 27 Feb 87

[Text] Montevideo, 26 Feb (AFP) — The results of a poll conducted here and revealed today show that 65 percent of the people in Montevideo oppose the law that calls for a full stop into the investigations of human rights violations in Uruguay.

Almost half of those interviewed felt that the Full Stop Law has strengthened the military (47 percent), damaged the credibility of Congress (46 percent), and damaged the stability of the democratic system (42 percent).

The percentage of people who disagree with the Full Stop Law regarding the trials against the military has dropped 6 points compared to another survey conducted in September by the same polling company, the Consulting Groups [Equipos Consultores], the only polling company that correctly predicted the results of the 1984 presidential elections.

Moreover, according to the polls, half of the inhabitants of the Uruguayan capital are willing to endorse with their signature the call for a referendum to repeal the law. It should be noted, however, that a large number of people remain undecided.

The expressions of support vary between a minimum of 45 percent and a maximum of 55 percent in Montevideo, while in the survey conducted through the country 31.5 percent of the population gave a favorable response.

GOVERNMENT POSTPONES RENEWAL OF 'STANDBY' ACCORD

PY282029 Madrid EFE in Spanish 1435 GMT 28 Feb 87

[Text] Montevideo, 28 Feb (EFE) — Financial sources in Montevideo have told EFE that the Uruguayan Government has postponed the renewal of a "standby" [preceding word in English] agreement with the IMF in order to seek better conditions and more flexibility in the control of its foreign debt. The previous agreement had been in effect until 31 December, and according to government technicians, there is no need to renew it under the same conditions.

"Standby" agreements require countries to meet certain economic goals. They also demand the total opening of the commercial market, and prohibit protectionist measures that could restrict the entry of foreign products.

After the positive economic results of last year, the Uruguayan Government expects negotiations that will make the IMF conditions more flexible regarding the foreign debt, especially in view of the moratorium declared by Brazil, and the conditions demanded by Argentina, Uruguay's two great neighbors.

According to Foreign Minister Enrique Iglesias, Uruguay has renegotiated its \$5.5 million [as received] foreign debt "under satisfactory terms" without experiencing the problem of the two larger nations. The Uruguayan debt is the highest per capita in Ibero-America. The Uruguayan experts are studying the possibility of an annual revision of contracts with the IMF, taking into account the economic and financial situation, before signing a new agreement.

SATISFACTION OVER NEW FOREIGN DEBT AGREEMENT

PA020135 Madrid EFE in Spanish 0031 GMT 2 Mar 87

[Text] Caracas, 29 Feb [date as received] (EFE) -- The new agreement to refinance \$21.2 billion of Venezuela's foreign debt has been received with satisfaction in Caracas.

The principle political leaders and representatives of the labor and business sectors have expressed satisfaction for the advantages obtained over the previous agreement signed on 26 February 1986.

The press and radio and television stations gave wide coverage to the agreement, pointing out that in principle the agreement seems to include a large number of the requests made by the Venezuelan Government to the international creditor banks, although the complete details of the agreement are not yet known.

Finance Minister Manuel Azpurua said in New York that the agreement had "changed the profile of the debt" and that a decisive step had been taken to reestablish the flow of foreign capital that is necessary for the orderly and sustained growth of the country.

One of the specific improvements obtained is that the repayment of principal during 1987, 1988, and 1989 which had previously been set at \$3.359 billion has now been reduced to \$1.35 billion.

In addition, the new interest rate obtained will be 7/8 of 1 percent over the London Inter-bank Offering Rate compared to 1 and 1/8 percent established by the previous agreement.

Venezuela's total foreign debt is an estimated \$30 billion, but international financial circles agree that the country is in the best condition in Latin America to meet its commitments.

Azpurua said that he expects the final document with the clauses of the new agreement to be ready for signature before 31 March. This is the date on which last December's deferment of payments granted by the creditor banks to Venezuela expires.

Lusinchi on Agreement

PA031806 Caracas Television Service in Spanish 0000 GMT 3 Mar 87

[Excerpts] Following the installation of the Senate and the Chamber of Deputies, special commissions went to Miraflores Palace to notify President Jaime Lusinchi of the beginning of sessions. During the event held in the Sol del Peru room, the president delivered a speech in which, among other things, he announced that he will not in any way use government resources to manipulate public opinion, much less to impose on the country feelings that are not consistent with its legitimate interests. [passage omitted.]

Referring to the new terms in the refinancing of the Venezuelan foreign debt, President Lusinchi said that an agreement was reached with the creditor banks under conditions that are satisfactory for the country. The president explained that as a result of the recent agreement, the country saved \$50 million, was able to defer \$6 billion in payments, and extended the payment period 14 years.

[Begin Lusinchi recording] Comments about some demagogic and subordinate [subalterno] statements on alleged maneuvers against the unity of the debtor countries are necessary at this time. Let us modestly but strongly state that this has never been characteristic of Venezuela or myself. Those who are saying this have for some time remained silent about the debts of some countries that recommend that others not pay, but which have refinanced their debts in time and in very formal conditions. Therefore, Venezuela's position is clearly a responsible one and obviously cannot be attacked by these snipers and predators from local politics. [end recording]

BRIEFS

CREDIT APPROVED -- The Directorate of the Andean Development Corporation has approved \$48 million worth of nonreimbursable credit for Venezuela. The purpose of this credit is to finance agricultural projects in Sucre State. Moreover, it approved \$17 million for Ecuador, and \$750 million for Peru. All these funds fall within the framework of trade and integration of the Andean area countries. [Excerpt] [Caracas Television Service in Spanish 0000 GMT 28 Feb 87 PA]

SEPULVEDA MEETS WITH CONSULS ON SIMPSON-RODINO LAW

PA031847 Mexico City XEW Television Network in Spanish 1300 GMT 3 Mar 87

[Text] Foreign Secretary Bernardo Sepulveda and Mexican consuls in the United States are currently meeting to review the implementation and consequences of the Simpson-Rodino Law. They are reviewing the social, political, economic, and cultural problems of Mexicans in the United States.

Sepulveda said that one of the purposes of the meeting is to decide on the actions that will be taken by consulates in the United States to protect Mexicans who are adversely affected by the Simpson-Rodino Law. Along with government agencies they will discuss the ways to reincorporate into society those Mexicans who are deported from the United States.

Bernardo Sepulveda said that the federal government has the moral, political, and legal duty to protect Mexican citizens living abroad. The third meeting of Mexican consuls in the United States, which was inaugurated by Sepulveda, will last 4 days.

RIGHTS GROUP LAUNCHES CAMPAIGN TO DOCUMENT CASES

PA282123 Mexico City THE NEWS in English 27 Feb 87 p 4

[By Anne D'Adesky]

[Text] National human rights groups are beginning a month-long campaign of documenting cases of "political prisoners" and other Mexican citizens who have disappeared during the past six years.

The new campaign follows a February 1987 Amnesty International (AI) report that documents "over 450 cases of disappeared persons" in Mexico and about which "the government of Mexico has offered information on around 300 cases, (of which) in many cases the relatives of the disappeared are not satisfied with the official explanations given."

Members of the National Committee for the Defense of Prisoners, Persecuted, Disappeared, and Political Exiles in Mexico (CNDPPDEP) told reporters Thursday that some 50 national human rights organizations will meet March 21-22 in a Congress of the National Front Against Repression.

Rosario Ibarra de Piedra, founder of the CNDPPDEP group and a Federal Deputy, said, "there exists in this country a violation of human rights."

While her group admits that the situation today is dramatically better than in 1969, when CNDPPDEP was formed, she said "to this day the government has not satisfied our demand for a full investigation into these cases."

The Mexican government "denies there are political prisoners in the country; they say there are only common criminals," said Ibarra.

The CNDPPDEP charges that the Mexican police and military have clandestinely detained and tortured citizens, allegations which are denied by the government. Such actions are illegal under the Constitution.

But the government has said that it "has already responded" to the CNDPPDEP's inquiry last year, although it is "willing to respond to any new cases" of human rights abuses.

Ibarra, 50-ish, was flanked by 11 other CNDPPDEP members during Thursday's press conference. She was wearing a medal with the portrait of her disappeared son, Jesus. Her companions were all either relatives of persons who have "disappeared" or, in one case, a former "political prisoner."

CNDPPDEP claims that 536 persons have disappeared since the Echeverria presidency began in 1970. Since then, at least 148 have "reappeared," their presence accounted for in public jails. A minority of cases have been released, some in a general amnesty program initiated by former president Jose Lopez Portillo during his administration.

The discrepancy in statistics is due to the stricter criteria adopted by Amnesty and the 11 other international human rights groups that have reported on disappeared persons in Mexico.

AI requires concrete evidence of disappearance, such as prison records or similar documentation, as well as a signed complaint by a witness or relative. Ibarra's group is willing to work for any person who has disappeared after an arrest by the Mexican police or army.

"The difference between here and Chile or Argentina is that there, they estimated the number of disappeared persons, but we only seek those who have been detained by the Army or police and that we can document," said Ibarra.

While it is clear that the majority of Mexican cases occurred in the mid-1970's, Ibarra claims that other persons have "disappeared" as recently as last year. While AI is pressing for more information about the 450 cases, it has only adopted 21 "active" disappeared Mexican cases as part of its current caseload.

The government has declared that the majority of the AI missing persons caseload for Mexico are either victims of armed confrontation between rival political guerrilla groups, or were drug traffickers caught in a shootout.

CNDPPDEP "does not accept this explanation," said Ibarra, who explained that the authorities have not supplied concrete proof of death in a single case, nor have they presented evidence of drug trafficking or other charges.

AI declares, "In no cases was a cadaver delivered to the relatives or was any documentary proof of death indicated" by the government officials investigating AI's inquiry.

The international organization reports that the majority of cases have involved either campesinos, workers, indigenous groups fighting land battles, or leftist political activists. The bulk of the land battle cases have been in Oaxaca, Chiapa, Puebla, Michoacan, Hidalgo and Veracruz.

Over 300 cases occurred in Guerrero state around 1974, and involved members of Luis Cabanas' "Party of the Poor," an armed guerrilla organization, or persons assumed to be members of this group.

The CNDPPDEP believes that the majority of the disappeared are being clandestinely detained at "military and naval installations, and public jails." Ibarra said that "Military Camp Number One" and "San Luis Potosi Prison" are two places where political prisoners have been reported.

ATTORNEY GENERAL: NO U.S. ANTIDRUG FUNDS SOUGHT

PA030311 Mexico City UNOMASUNO in Spanish 26 Feb 87 p 11

[Text] Chihuahua, Chihuahua, 25 Feb -- Mexican Attorney General Sergio Garcia Ramirez has stated that no economic resources have been requested from the United States for an antidrug campaign which is basically being carried out with Mexican funds. However, the United States has traditionally given limited support, approximately \$8.5 million per year, he said.

He added that 60 percent of the budget for the Attorney General's Office is directly earmarked for the antidrug campaign expenses.

Garcia Ramirez, who inaugurated today the IV Regional Meeting of Legislative Updating, emphasized that the drug trafficking problem is not only a police problem; it also has deeper and more critical causes linked with economic, cultural, social, and moral factors.

BRIEFS

MARIJUANA COMPLEX DESTROYED -- Mexico City, 2 Mar (NOTIMEX) -- The Mexican Federal Judicial Police located and destroyed one of the biggest marijuana production, collection, and packaging centers in the country this weekend during an operation near the towns of Apoderados and Cruz Pedregosa, in Rosario Municipality, near the Port of Mazatlan, Sinaloa. Seven tons of marijuana were seized and 35 suspected drug traffickers arrested. Twenty-five of these, who were of peasant extraction, were later released. While the remaining 10 were charged with crimes against health, criminal association, and possession of weapons for the exclusive use of the National Army and Navy. [Summary] [Mexico City NOTIMEX in Spanish 0070 GMT 3 Mar 87 FL]

MARIJUANA CONFISCATION, ARRESTS -- The federal police reported the confiscation of 1,034 kilos of marijuana and the arrest of 9 alleged drug traffickers. The first action was carried out at a ranch near Neuvo Laredo, Tamaulipas, where the police found 632 kilos of marijuana and arrested Abundio Hilario, Juan Antonio Barrientos, and Pedro Buentello Martinez. The second action was carried out in San Francisco, Chancalia municipality, Chiapas, where the police confiscated 265 kilos of marijuana and 50 kilos of marijuana seeds and arrested Jorge Gonzalez Torres, Juan Vasquez, and Carlos Ramirez Vasquez. The third action was carried out in Agua Prieta, Sonora, where the police arrested Pedro Alvarado Vasquez. He was transporting 67 kilos of the drug in a truck. The fourth action was carried out in Nogales, Sonora, where the police arrested Ramon Lujan Ayala and confiscated 70 kilos of marijuana. All the marijuana was destined for the United States. [Summary] [Mexico City EL NACIONAL in Spanish 19 Feb 87 p 6 PA]

DELVALLE DELIVERS STATE OF THE UNION SPEECH

PA020111 Panama City Domestic Service in Spanish 1630 GMT 1 Mar 87

[State of the Nation speech by President Eric Arturo Delvalle at the Legislative Assembly in Panama City -- live]

[Excerpts] President of the Legislative Assembly Hon Ovidio Diaz; Hon Magistrate Marisol Reyes de Vasquez, president of the Supreme Court of the Justice; Ministers and deputy ministers; honorable Supreme Court of Justice ministers; members of the Defense Forces staff; Hon Yolanda Pulice de Rodriguez, president of the Electoral Tribunal; Hon Attorney General Carlos Villalaz; Hon Assistant Comptroller Abdiel Julio; Archbishop of Panama Msgr Marcos Gregorio McGrath; Msgr Jose Sebastian Laboa, papal nuncio and dean of the diplomatic corps accredited in Panama; heads of diplomatic missions and international organizations accredited in Panama; directors and deputy directors of autonomous and semiautonomous state entities; honorable vice presidents of the Legislative Assembly; honorable legislators; honorable representatives of the provincial and municipal government; special guests who accompany us; members of the press; ladies and gentlemen; fellow citizens:

Legislators, once more I follow the constitutional role of appearing before this honorable Legislative Assembly to present my message on the administration's business covering the period between 1 March 1986 and today. Likewise, I am pleased to outline the plans and strategies the government has to continue leading the country down the path of economic growth, improving social conditions of the Panamanian people, and strengthening our democratic institutions. Without taking the preceding steps, conserving a peaceful climate that we can enjoy with security and mutual respect becomes no easy task, but it is an unavoidable goal of my responsibility as president.

I am pleased to report to you that the achievements accomplished during this year in office, which are really significant, are to a great degree a result of a new positive attitude of public administration and the harmonious cooperation between the executive and legislative branches, an attitude which is reflected in important laws which I have approved, and is the result of efforts by thousands of Panamanians and residents in our country who have dedicated themselves with tenacity and confidence to productive work in the country and in the cities to generate more riches, an essential basis for the social structure of a people.

The obvious effects of these efforts can readily be seen in nearly all the important areas of our national life. Let us review them:

In the construction area, permits for this activity in Panama during 1986 are estimated to have surpassed the previous year by 20 percent. For housing, one of the most sensitive social problems in any country, private enterprise has reported having built more than 5,000 new units, which represents a considerably greater participation when compared to previous years. On the other hand, the Housing Ministry reconditioned and built a large number of houses as an effective solution for the poorer people.

Reactivation of the construction industry is a magnificent example of cooperation and understanding between the government and private enterprise and between the legislative and executive branches, which by passing and approving adequate incentive laws have generated more riches, houses, and employment for the country's benefit. We shall keep that attitude of cooperation and will double our efforts so that industry continues its growth.

Another activity which is greatly recovering is the Colon Free Zone with an increase in activity during 1986 of more than 25 percent. This brought about, among other things, more than 800 new jobs and a substantial increase in the amount of cargo handled by the port of Cristobal, which increased 33 percent in 1986 over 1985. We trust that for 1987 similar growth levels will be attained. We have therefore started carrying out the first recommendations of the special committee we created to resolve the urgent problems of the port of Cristobal.

Another important activity which grew during 1986 was the export of Panamanian products, which increased more than 18 percent, surpassing 320 million balboas [\$320 million], with an emphasis on nontraditional products, especially agricultural and marine products.

The outlook allows us to forecast a significant increase again this year. Panamanians have demonstrated, and should continue to demonstrate, that when we decide to compete in international markets we are able to do so. I therefore reiterate the firm and efficient cooperation of the government in these efforts.

Another outstanding private and government activity, the banking sector, also participated positively in the growing rhythm of our economy with significant increases in its assets, and local and foreign deposits. Both government and private banking took part in this growth.

The latter contributed with the establishment of new banks, expansion of buildings, and building of new branches. The most outstanding part of this development was the aggressive role of private banking, placing themselves ahead of the Panamanian banking sector, together with other important foreign banks.

Government banking, represented by the National Bank and the National Savings Bank, also had important growth in their assets and deposits compared to the previous year. This growth was approximately 15 percent for the National Bank in its current savings, and fixed deposit accounts. The National Savings Bank increased its assets by 22 percent; an extraordinary amount never before attained. In both cases, the trend indicates our banking center's increased day-by-day consolidation.

Many other factors have contributed to the improvement in our economy during 1986. Activities such as tourism -- thanks to a new approach and to programs designed and chosen to promote Panama as a destination point -- are beginning to show the results of these efforts, and today the tourism industry is going through a positive awakening that my government has the firm goal of consolidating and strongly boosting. I should also mention increased financial activities, insurance and reinsurance, and especially the broad spectrum of trade in general, the main leaders of which have announced the highest amount of sales ever in 1986.

I have referred mainly to the most important parts of our economy, some of which are national, others that are linked to international trade, and some that are mixed. All are proof positive that we have experienced a real reactivation in our economy, estimating an increase in our GNP of 3.8 percent, which proves my government is on the right path regarding economic policies. Those who insist on denying this truth only fool the people or fool themselves. This fact represents an increase in the average income for each inhabitant and, what is even more important for me, a reduction in the unemployment index. For the first time in many years we have managed to turn the unemployment trend around in a positive way.

Possibilities for 1987 seem really good due to greater dynamism of the public and private sectors, an attitude and action that my government backs and supports without reserve. Thanks to that improvement in the economy, as I have already described, and thanks to the special and meritorious effort of our tax officials, the Panamanian Government increased tax collection in 1986 to a total of 1.0338 billion balboas, the highest level ever. The collection strategy used yielded excellent results by improving services to the taxpayers, successfully intensifying contraband controls, and positively promoting the growth of the National Merchant Navy, which today is the world's second largest.

Likewise, income derived directly as a result of the Torrijos-Carter Treaties from the increase in ships transiting the Panama Canal amounted to 77.6 million balboas.

The problems and negotiations of the foreign debt -- which affects all Latin American countries and nearly all countries of the world and to which we inherited the responsibility -- have met a healthy financial climate in Panama during 1986. We successfully managed to reprogram the dates on which payments were to fall due in 1985 and 1986 and closed a negotiating stage with the World Bank which allowed important outlays by the World Bank to Panama, and at the same time opened the door for renegotiating our obligations to longer terms to allow us breathing room, so we can work eagerly toward better and further achievements and solutions for the country.

Regarding the foreign debt, I said at the United Nations that the lending countries should understand the political nature of the foreign debt in the debtor countries, and that the lending countries should agree to treat the problem by taking into account the repercussions the problem would have as far as stability and social peace are concerned. [passage omitted]

It is necessary to publically recognize the hard work that our Defense Forces continuously perform to maintain public order and to safeguard the peace that distinguishes our republic. These are essential attributes for social stability and promote creative and dignified work. The Defense Forces carry out their duties with exemplary professionalism under the skillful leadership of their commander in chief, General Manuel Antonio Noriega, and other members of his staff. They share our efforts to strengthen republican institutions. Our Armed Forces must be recognized for the sober and measured manner in which they have reacted to the conflict involving our Central American neighbors, and by their efficiency in fighting drug traffic. In this regard they have helped other countries that suffer the scourge of vice and corruption this frightful exploitation generates.

I shall proceed now, honorable legislators, to mention the plans which my administration proposes to undertake within the limitations of our fiscal situation, in order to solve social problems and promote the economic development of the Republic.

Because of our limited resources, it is not feasible to undertake ambitious plans, but I am sure that we can respond to a good number of the demands of the country. My government is abiding by the country's general budget for 1987, which this honorable chamber approved within our policy of maintaining public expenditures at reasonable levels so that all taxpayers are guaranteed that the resources of the state — which belong to the entire country — are used honestly and efficiently.

In the agricultural sector, we shall continue the policy of strengthening the productive base, giving new credits through the official banks in order to promote investments in the agricultural and livestock sectors by small and mid-level producers, to support the production of new items for export, to support fishing and aquaculture, and to properly implement Law 2 of 20 March 1986, which offers incentives to agricultural production and exports. In this regard, I reiterate my government's decision not to allow imports of foreign products that might compete unfairly with our own.

To meet these objectives, I assure you that soon I shall establish whatever regulations might be necessary. Moreover, I shall contact private banks to find out what incentives will be needed so that loans may be granted to all enterprises in the agricultural and cattle sector. As a result of these contacts, I am willing to implement all appropriate actions so that our producers may obtain the necessary facilities to work and increase the country's agriculture and cattle production.

In the industrial sector we shall continue the struggle to modernize and increase efficiency in national industry by helping it adapt to the conditions of new technology and competition in international markets. I shall encourage the private and state banks to offer new loan facilities in order to stimulate exports in full compliance with Law 3 of 20 March 1986 to ensure incentives for the growth and development of national industry. In this same manner I shall continue to offer unlimited support to the business, banking, financial and tourist sectors because they constitute important bases in our economy.

With the determined aid of the national government and with the application of new legal instruments, we shall be able to improve this sector, which is so important for the sustained growth of our economy.

I have decided to give special impetus this year to the production of small enterprises, and a program has been designed with resources amounting to \$17 million. The Panamanian state has the responsibility to improve the transportation infrastructure, communications, and to supply enough energy for our development, and for the well-being of the Panamanian people. My government will continue to make the utmost efforts to fulfill this obligation.

The adequate supply of electrical energy, the extension of this service to all parts of the country, and the adequate provision for future needs have been a constant concern of this administration, and that is why there has been a gradual increase in the generation of electricity. It is estimated that this increase will continue at a rate of 7 percent per year.

Additionally, this year the second phase of the Edwin Fabrega hydroelectric works will begin. This constitutes the greatest current project of public investment in construction.

We also intend to intensify the program of rural electrification that will incorporate more than 11,000 new users this year. We advance with a firm, undaunted step in the field of telecommunications. In accordance with the plans which I outlined in this assembly a year ago, we are constructing 16 new urban and rural plants [centrales], modernizing some of the existing plants, and we are witnessing the successful completion of the INTEL [National Telecommunications Institute]-IDB rural telephone system, which will extend its services to the most isolated Panamanians.

We will continue to expand and modernize the telephone system, especially in the main cities of the country. The total investment in this area will be \$33 million.

My government will pay equal attention to the transportation sector through large investments in the ports, such as the installation of the second Gantry crane in Cristobal, and the beginning of the third port project this year in Balboa.

The studies and master plan of the Centro Puerto project are about to be delivered. They will turn our port facilities into one of the most important international centers of cargo transfer and distribution. This is another instance where our geographical position affords incalculable opportunities for our country. My government intends to approach the consolidation and realization of these opportunities with all the faith, dedication, and efforts which their importance imply for the national development.

Despite the lack of budgetary resources assigned to the transportation area, my government intends to see to it that the Divisa-Las Tablas road is finished this year, that deteriorating roads are repaired, that better maintenance is given to the Inter-American Highway, that the important projects of the north corridor of Panama City are carried forward, and that the stretch of road between the Bridge of the Americans and Arraijan be made a four-lane highway. This project will soon be put up for public bids.

In the same manner, adequate maintenance will continue to be given to national airports and domestic air services. My administration will continue its efforts to give all Panamanians adequate housing, and it will decisively support the efforts of private enterprise in this regard, in favor of medium and low income sectors.

Likewise, it will vigorously continue the programs of urban renewal and repair of condemned houses that are being successfully carried out by the Housing Ministry.

National education has always been a subject of such vital importance that it generates special interest and marked controversy in the country. During 1986, my government carried out actions aimed at establishing the bases to improve the quality of education and to strengthen relations in the national community.

All regions of the country receive educational services, more than 570,000 students representing 26 percent of the total population of the republic, are being educated in the various educational centers.

Likewise, actions were taken to strengthen the authority of and respect for educational institutions with the purpose of creating an environment of harmony and work, which is essential to fulfill the objectives and basic functions of the Education Ministry, while promoting the participation of parents in the educational process.

Notwithstanding our achievements, I note with worry that problems of educational neglect [marginalidad escolar] and poor quality and efficiency of education persist. There are still countless school-age Panamanians who have not been incorporated into the educational system, and all levels and forms of teaching are beset by poor academic performance, with repercussions on the proper preparation of the country's future generations.

Faced with this situation, my government has taken a primary interest in broadening the range and improving the quality and efficiency of educational services.

To resolve the problems that still persist and with the firm conviction that our country requires an integral revision of our educational bases, the Ministry of Education has responsibly presented for the community's consideration a preliminary document that attempts to set the bases for guiding and reorganizing the Panamanian educational system in line with the requirements and aspirations of this time in history, as well as of the future. An extensive process of popular consultation was organized for this purpose. It offers all Panamanians the opportunity, which is at the same time a responsibility, to establish the fundamental factors that must complement the Panamanian organic educational law. This will allow a new orientation and restructuring of the system and the establishment of plans, programs, and actions geared toward the education of the Panamanian as a thinking, participating, critical, and reflective being who is able to construct a society that is democratic, just, free, and respectful of moral and civic values.

With satisfaction, I state that many sectors of the Panamanian community are participating with responsibility and interest in the consultations on the country's education system, and have made valuable contributions to enrich the preliminary bill that will regulate the national education system.

Another subject that claims all my government's attention and reflection, and that has justifiably stirred national interest, is that of social security. We cannot expect citizens to have peace of mind unless we find an adequate solution to the problems that threaten the stability of the social security system. However, there will be no peace of mind unless we confront the problems responsibly and conscientiously to prevent and avoid in time, the possible collapse of the institution on which the Panamanian people's health and retirement depends.

Much has been achieved in the area of social security, in order to make available broadened and increased benefits to all social strata and members of the Panamanian family. There are clinics and hospitals all over the country. Family medical services are more complete each day. Specialists in different branches of health and highly specialized equipment are serving the social security beneficiary today. Simultaneously, increased disability and old age pensions that in many cases equal the last salary earned by the beneficiary make the Panamanian social security system one of the most expensive, compared with that of any country in the world.

However, there has also been exaggeration in the excessive benefits that have been granted without consideration for present realities thereby weakening the structural bases of the system far in excess of the amounts that are paid in, and the capacity to maintain the solidity of the institution. [passage omitted]

Regarding international relations, my government has maintained and will continue to maintain in the world community an unwavering line of constant and valiant defense of the country's interests, and the rights of Panamanians, especially concerning our association with the United States regarding the Panama Canal.

However, I must emphasize that despite an increase in Panamanian executive and managerial personnel participating in the PCC, this still does not meet with the requirements outlined in the Torrijos-Carter Treaties. As this honorable assembly knows, during 1986 the Panamanian Government reported in the most important international forums that U.S. Law 96-70 violates the spirit of the Panama Canal Treaties of 1977. Personally, at the 41st UN session, referring to the primary roots of these violations, I said that although the Torrijos-Carter Treaties should have ended the great Panamanian struggle for independence and sovereign rights, Law 96-70 has given us a new challenge. That same day, after having said this, in a private meeting held with the U.S. Secretary of State George Shultz I told him categorically that Panama rejects Law 96-70, and that its implementation is the cause of frequent differences between our countries which would not have happened with a just and rightful implementation of the Torrijos-Carter Treaties. Secretary Shultz said that there should not be causes of friction between the two countries because of treaty implementations. We arrived at an agreement that Panama will submit a document to the U.S. Government in which it will outline its position, and this document will receive immediate consideration by the U.S. Administration in order to adopt the attitudes and corrective measures that may be needed.

Panama has already drafted a document on this that reflects the opinion of outstanding Panamanian jurists. The document is undergoing a final review at this moment before it is presented to the U.S. Government.

The Panamanian people, as well as you, the legislators, can be absolutely sure that within my power and capabilities I will not take a step backward, and I will never accept a truce in the struggle until the violations of Panama's rights have ceased, and until Law 96-70 has been abolished or modified substantially in accordance with our just demands.

Faithful to the natural desire of our people and the decided will of my government to preserve the peace that we enjoy, and to struggle for the reestablishment of peace in Central America, I am pleased to recognize the fact that the Contadora and Support Groups have managed to avert the outbreak of a generalized war. Fortunately, most Central American governments have understood that the dilemma in choosing between war and peace can only be resolved with a will for reciprocal concessions. In the name of my government, I thank the interest shown by the UN and OAS secretaries general, and by the EEC, which has strengthened our will to continue struggling for peace in the region.

I have mentioned the United Nations, the OAS, and the EEC because they are forums of our Western civilization of countries dedicated -- over and above their own problems and difficulties -- to the cause of a free humanity, respect for the national sovereignty, and the peaceful coexistence of the peoples. Panama has a place as a free and sovereign nation in those world forums; a place that should be consolidated and enlarged both in respect and dignity, as it deserves. All Panamanians are custodians of this position, and our country is a sanctuary for peace in the region.

Honorable legislators, we should all agree that the fatherland is not the exclusive property of a certain sector; instead, it is the common heritage of us all, leaders and followers, workers and businessmen, civilians and military men. Because of this, it is the duty of all who make up this country to contribute effectively and greatly to the solution of the problems that face the country, and to make an effort in its overall reconstruction. Thank you. [applause]

Columnist Analyzes Speech

PA040111 Panama City LA PRENSA in Spanish 3 Mar 87 p 1-a

["As of Today" column]

[Text] As established in the Constitution, the president's state of the nation speech to the Legislative Assembly is a document that should be thoroughly analyzed by all Panamanians. During President Delvalle's address at the installation of the Assembly's third period of regular sessions, Panamanians should have noticed the official positions regarding the government plans, analysis, and interpretation of the accomplishments and the policies and plans for the future. It is inevitable that these presidential speeches be used for self-praise and manipulation. People should make an objective evaluation of the government's actions regardless of how the facts are presented and interpreted. It is necessary to point out that the president of the Republic emphasized what he interpreted as "a true recovery of our economy" which "is derived from important laws with obvious and immediate effects that can be seen in almost all the important sectors of national life." However, President Delvalle was especially careful not to mention the results and effects of Laws 1, 2, and 3 of 1986 which were presented as the solution to the national crisis. We are certain that people involved in the farming, agro-industrial, industrial sectors, and workers in general do not share the optimism and satisfaction manifested by Delvalle in his speech. The facts are evident and cannot be belittled. As Eric A. Delvalle himself said, "those who insist in denying this reality are only lying to the country or to themselves."

REPORTAGE ON OVIDIO DIAZ DELEGATION IN USSR

For Soviet media coverage of the visit of a legislative delegation headed by Ovidio Diaz Vasquez, president of the Legislative Assembly, to the Soviet Union, see the Latin America section of the 2 March 1987 Soviet Union DAILY REPORT and subsequent issues.

COSTA RICADEPUTIES WANT ARIAS INVESTIGATED ON AIRPORT

PA031353 San Jose Radio Reloj in Spanish 1225 GMT 3 Mar 87

[Text] According to Deputy Leonel Villalobos, the deputies of the National Liberation Party [PLN] will introduce a motion calling for a special commission to investigate the actions of President Oscar Arias Sanchez regarding the landing strip in Potrero Grande in La Cruz canton in Guanacaste Province. He added that the motion will also propose that there be an inquiry into the pressure exerted by representatives of the U.S. Government to improve that airport and to have the Nicaraguan counterrevolutionaries use it. The deputy chief of the pro-government deputies said that the proposal will be presented in the assembly to investigate the Oscar Arias administration and resolve any doubt that might exist regarding this issue.

Deputy Luis Manuel Chacon, leader of the Social Christians, said they will support this motion but that they also want to extend the investigation to the Luis Alberto Monge government.

Arias Denies 'Economic Pressure'

PA271329 San Jose Radio Reloj in Spanish 1200 GMT 27 Feb 87

[Text] President Oscar Arias has affirmed that he has never suffered economic pressure. The Costa Rican President said yesterday in Mexico that he has never been put under pressure by any power or country to change his mind as regards the Central American problem.

ARIAS EXPRESSES SATISFACTION WITH MEXICAN VISIT

PA030306 Hamburg DPA in Spanish 2305 GMT 2 Mar 87

[Text] San Jose, 2 Mar (DPA) -- President Oscar Arias says he is "very satisfied" with his state visit to Mexico at the invitation of President Miguel de la Madrid. Arias returned at noon and immediately went to the residential house.

The Costa Rican president concluded his official visit to Mexico last Saturday [28 February], but he was invited by the governor of Oaxaca, Heladio Ramirez, to stay and visit the historic site.

Arias emphasized that "we strengthened our friendship with Mexico, a friendship based on dialogue and mutual respect." Arias went on: "We also achieved important bilateral agreements such as readjusting the 120 million [currency not specified] debt, increasing the list of exchange products, and intensifying Mexican technical assistance to Costa Rica." He added: "I am very pleased with my visit to Mexico, where I had the opportunity to explain through the media the peace proposal that will be the topic of discussion at the forthcoming visit of the five Central American presidents at Esquipulas."

COOPERATION AGREEMENTS WITH SPAIN CONFIRMED

PA012331 San Jose Radio Reloj in Spanish 1330 GMT 1 Mar 87

[Text] Spain and Costa Rica have confirmed their decision to maintain their cooperation agreements. The statement was issued by members of the Spanish-Costa Rican Mixed Commission, which has been meeting in San Jose for the last 3 days. The cooperation programs at the technical and expert level will be increased to include agrarian and livestock technical assistance and personnel training in various sectors.

DRUG CONTROL DIRECTOR ASKS COMMISSION HEARING

PA040014 San Jose Radio Reloj in Spanish 1200 GMT 3 Mar 87

[Text] Colonel Luis Barrantes Aguilar, drug control department director, yesterday requested a hearing at the drug trafficking investigation commission headed by Deputy Alex Solis. The purpose of the hearing is to consider the charges filed against him concerning the Mexican drug trafficker Caro Quintero.

In his telegram to Deputy Solis, Col Barrantes stressed the urgency of this hearing because an international appointment is to be honored.

Col Barrantes has been invited by the DEA to the fifth international meeting on drug control to be held in Sao Paulo, Brazil, on 25 March. Because of this invitation, he wants to be accorded a hearing at the legislative drug trafficking commission so that he can present his views and defend his position.

EL SALVADORGEN BLANDON ON ARMS, UNIVERSITY FORUM

PA280030 San Salvador Radio Cadena YSKL in Spanish 1600 GMT 26 Feb 87

[Interview with General Adolfo Blandon, chairman of the Joint Chiefs of Staff, by Rosi Castillo; date and place not given -- recorded]

[Text] [Castillo] We would like to ask you about the weapons that were found on a ship, according to the press. Our second question is if the General Staff is considering the request by the rector of the University of El Salvador to allow the FDR-FMLN to attend the peace forum to be held at the university.

[Blandon] Concerning your first question, we have received reports to the effect that a ship sailing some 10 miles from Acajutla Port was carrying some weapons and ammunition to unload somewhere along the coast of our territory. The national Navy intercepted the ship, a fishing vessel called (Aura Sal). Our men boarded the ship, searched it, and found two crates of ammunition, according to the first report I received. However, it is a type of ammunition that was used a long time ago, with rifles that are no longer being used.

Although we do not have the details from intelligence, we think this is part of the ammunition we dumped into the ocean, because it was useless. Probably the nets of the fishing vessel picked it up while going about their daily fishing activities. This is the preliminary information I have received, and I am waiting for an official report from the National Navy.

[Castillo] What did the captain of that ship say?

[Blandon] He reported that their fishing nets picked up the crates when they were fishing as they usually do every day. That is what the captain of the ship said, but this does not mean this is all. We must conduct a more thorough investigation. Once we have received that information I will give you more details, if I have any.

[Castillo] General, with regards to the confiscation of this ammunition, it is being said that Nicaragua is sending supplies to the Salvadoran guerrillas. Have you seized any more weapons or ammunition?

[Blandon] In recent days, we have had certain indications to the effect that preparations were under way for sending armaments and ammunition to El Salvador, in the area of the mouth of the Lempa River. We have taken the necessary precautions, but so far nothing has happened. We do believe that Nicaragua is still sending supplies, not only by sea, but also by land, taking advantage of the low level of surveillance there is along the border with Honduras. They are using this territory of the sister republic, and are bringing in explosives -- which are more dangerous and are causing so much sorrow among the civilian population -- in addition to ammunition.

[Castillo] What can you say concerning the request by the rector of the university to allow FMLN-FDR representatives to enter our country and attend the peace forum?

[Blandon] In all sincerity, I am not aware of this permission requested by the FDR. First of all, allow me to tell you that as chairman of the Joints Chiefs of Staff, I am in favor of all those activities that are held in the country in the search for peace. However, when FDR individuals are involved I wish to remind you that they are outlawed. If right now there is not a judicial ruling or a special permission issued by the defense minister or the president of the republic and if they should enter without that permission, they would have to be arrested immediately, because they are wanted to answer charges of terrorism that they have sponsored in El Salvador.

[Castillo] Have you already investigated the fires that have recently broken out throughout the country?

[Blandon] The Joints Chiefs of Staff have not yet received an official report. However, I have been in constant contact with the Fire Department and the directors of the security corps, so they will keep me posted on the investigations. The initial reports indicate there were cases of arson, that actions of terrorism were carried out. We have that strong suspicion because we have found documents, very valuable documents were found in the area of El Pipil in which they mention the contacts they have had, using their pseudonyms, giving instructions to intensify the actions of terrorism in the city of San Salvador.

Therefore, we suspect that terrorists from the paracentral area and from the northern area of the country have been transferred to the city of San Salvador to carry out these acts of terrorism. Some reports given to me by the security corps and the Fire Department indicate that due to the circumstances and certain characteristics that took place during the fires, there is no doubt that these were terrorist actions. This can be explained by the fact that since the state of siege was lifted the terrorists are taking advantage of this to a maximum.

[Castillo] Gen Blandon, in their work throughout the country, have the Armed Forces learned of any other actions?

[Blandon] Well, perhaps the two most important actions that have taken place have been in the country's east. These were two confrontations, which I would say were of some importance, in Delicias de Concepcion and Osicala. In Delicias de Concepcion we suffered 9 dead and 14 wounded, but I cannot recall at this moment the number of casualties we suffered in Osicala. In Delicias de Concepcion the terrorists suffered a total of 12 casualties — that is, 12 killed in action.

There have been other confrontations, but of minor importance, in the rest of the country. We are still providing security for the coffee and sugarcane harvest throughout the national territory and are continuing with the "Phoenix" Operation. By the way, our next major operation will be the repopulation of a [words indistinct] in a northern area. We think that maybe by seeding time a large number of families will have settled there so they can sow and harvest. Last year all they were able to do was to go to their fields and sow, but they had to leave the area every afternoon. What we expect them to do now is to live in their respective places. We are doing this in coordination with other government agencies like Fedeccredito [Federacion de Cajas de Credito, Federation of Credit Funds] and the Agricultural and Livestock Development Bank so these agencies can give these people the credits they need to begin a new life.

Blandon on Counterinsurgency

PA032220 Panama City ACAN in Spanish 0006 GMT 3 Mar 87

[Text] San Salvador, 2 Mar (ACAN-EFE) — General Adolfo Blandon, chairman of the Armed Forces Joint Chiefs of Staff, today said that the Salvadoran Army is "on the offensive and enjoying high morale" despite economic cutbacks and political polarization.

"Politicians have picked the least appropriate time for their discussions, because the guerrillas, who are on the lookout to take advantage of the situation, benefit the most by this," said Blandon.

The officer said that the civil war has ceased to be a totally military war; the political, economic, and social aspects also play a major role now.

Blandon reminded the political parties that El Salvador is experiencing a war in which internal bickering "does not help resolve the war conflict."

The chairman of the Joint Chiefs of Staff met today with the press to report on "the progress" made by the "United to Reconstruct" counterinsurgency plan, which is aimed at ending the armed conflict that started 7 years ago and has claimed more than 60,000 dead, mostly civilian.

For the past year the Army has been carrying out the "United to Reconstruct" counterinsurgency plan aimed at incorporating all sectors of the population into the effort to "eradicate guerrilla centers, create and develop civil defense, and implement socioeconomic projects."

Blandon said that the 1986 counterinsurgency strategy was "very successful" in the entire country; 725 projects were inaugurated and investments totaled more than 44 million colones (8.8 million dollars).

As a negative point of "United to Reconstruct," Blandon mentioned the "non-incorporation of the private sector into the plan, not because of a lack of willingness, but because of problems of the integration mechanism."

He regretted that "certain ministries" of the Jose Napoleon Duarte government "have failed to place real importance" on the counterinsurgency campaign.

Blandon said that the decrease in U.S. military aid to the Army "is not significant. El Salvador is one of the least affected countries."

The officer, who did not specify how much military aid, which amounts to \$134 million in 1987, will be decreased in the future, said: "We will continue fighting with or without aid."

He said that the Duarte government, through the Defense Ministry, will have to seek "new financing sources" to maintain the Army, which currently numbers more than 50,000 soldiers.

Blandon refused to comment on a recent unconstitutionality ruling handed down by the Supreme Court of Justice against the "war tax," which was aimed at collecting \$24 million for the Army.

The officer also said that FMLN guerrillas "want to take advantage of the political polarization and step up military actions in the capital. According to Blandon, the FMLN has infiltrated labor unions and plans to carry out "terrorist acts" such as the three fires that took place in two supermarkets and a movie theater 2 weeks ago.

RIVERA Y DAMAS ON NATIONAL DIALOGUE PROPOSAL

PA020431 Hamburg DPA in Spanish 1910 GMT 1 Mar 87

[Excerpts] San Salvador, 1 Mar (DPA) — Msgr Arturo Rivera y Damas, archbishop of San Salvador, strongly criticized the authorities of the Salvadoran Social Security Institute today because they dumped 10 fetuses of children who had been stillborn at the institution's hospital. [passage omitted]

Upon leaving mass, the pastor was interviewed by journalists. He again referred to his proposal for a national debate to seek the road for attaining peace. "The church does not want a debate-dialogue because it is still a great instrument to attain peace," he explained. [sentence as received]

The debate would not include the participation of fighting sectors or those who comprise the political insurgency, only those who are part of the national life within the framework of a legal policy but who disagree with the government and who have their own concept about the road to peace.

"Once these views are gathered they will lead to a great government-insurgency dialogue," the archbishop explained.

JOURNALIST GROUP ASKS DUARTE TO CHANGE POLICY

PA032119 Panama City ACAN in Spanish 0056 GMT 3 Mar 87

[Text] San Jose, 2 Mar (ACAN-EFE) — The Association of Central American Newspapers (APCA) has requested that President Jose Napoleon Duarte rectify his government's discriminatory policy against San Salvador's EL DIARIO DE HOY.

APCA President Fernando Lenero, general manager of the Costa Rican daily LA NACION, announced that if no favorable response is obtained from the Salvadoran president, "a request for a personal meeting to discuss this with President Duarte will be made."

The principal newspapers published in the area are members of the APCA and their main objective is to protect freedom of speech.

Regarding the situation of the press in El Salvador, the APCA received an EL DIARIO DE HOY report, which states that the government has taken "reprisals" against that newspaper for its antigovernment stance.

"Even though there is no previous censorship against newspapers, in the case of EL DIARIO DE HOY there is discrimination in the distribution of advertisements," a report recently released by a journalist' meeting in this capital states.

Government advertising, according to statistics presented to the APCA, represents between 30 to 40 percent of all advertising in Salvadoran communications media.

Its absence in a newspaper is a serious disadvantage as opposed to those that are favored, Leneros said.

The new APCA president said that among his immediate plans is to "strengthen the communications media in Central America, because a free press requires an economic autonomy to maintain its independence."

Another of the objectives announced by Lenero is to include the Panamanian press in APCA to strengthen the organization.

HUMAN RIGHTS GROUP SAYS SITUATION STILL 'SERIOUS'

PA252136 Panama City ACAN in Spanish 1849 GMT 25 Feb 87

[Text] San Salvador, 25 Feb (ACAN-EFE) -- The Human Rights Commission of El Salvador has stated that it believes that "significant efforts" have been made to ensure respect for those privileges, but the situation is still "serious."

This analysis is contained in a 27-page report that this nongovernmental organization handed to the UN Human Rights Commission, which met in early February in Geneva.

The report, which was revealed to ACAN-EFE today, states that the "human rights and fundamental liberties situation in El Salvador is still serious" and maintains that the economic situation "is daily becoming increasingly critical and unbearable."

The humanitarian organization states that Salvadorans are facing an unemployment and underemployment rate of 75 percent, an inflation rate of 70 percent, a \$175 million fiscal deficit, 45 percent increase in the price of basic staples, and a decrease in the purchasing value of the colon.

The commission claims that 99 percent of political prisoners suffered physical and psychological torture during 1986.

The report includes a number of specific denunciations by peasants who have suffered constant and indiscriminate bombings by the Army.

The Human Rights Commission reported 619 political prisoners, 1,821 murders and 213 people missing for political reasons in 1986.

In the past 10 years, 60,000 Salvadorans have died as a result of the war and ideological conflict in the country, but only a small minority have been killed on the battlefield.

GUATEMALATRADE MISSION SEEKS 'RAPPROCHEMENT' WITH BELIZE

PA031358 Panama City ACAN in Spanish 0226 GMT 3 Mar 87

[Text] Guatemala City, 2 Mar (ACAN-EFE) -- An official mission led by Economy Minister Elizardo Sosa will "soon" travel to Belize to seek a "trade rapprochement" with that former British colony which Guatemala claims.

The press office of the presidency reported that Minister Sosa will be accompanied by private enterprise leaders. They will seek to learn about possibilities for "increasing the trade exchange."

Guatemala imported various products from Belize in 1986 worth 4,127 quetzales (\$1,650,8) [figures as received], according to the trade statistics of the Central Bank. Export statistics were not provided.

Belize, a 22,000-square km country which lies to the northeast of Guatemala, obtained its "unilateral" independence from the United Kingdom on 21 September 1981, an independence that Guatemala has not recognized.

Trade relations between the two countries were officially resumed last year, although Guatemala continues to claim that country where 3,000 Guatemalan families and 5,000 Salvadoran families are living as refugees.

The Guatemalan Foreign Ministry has denied that the trade delegation's visit to Belize constitutes a tacit recognition of Belize's independence.

Minister Sosa is currently accompanying President Vinicio Cerezo on his official tour of Peru, Argentina, Uruguay, and Brazil to make public Guatemala's stand on active neutrality on the Nicaraguan situation, and to support the peace strategy of the Contadora Group.

RETURNING REFUGEES REPORTEDLY MUST ACCEPT AMNESTY

PA032350 Panama City ACAN in Spanish 0231 GMT 3 Mar 87

[Excerpts] Guatemala City, 2 Mar (ACAN-EFE) -- Two leaders of those displaced by violence today reported that the Guatemalan Army is compelling Guatemalan refugees returning from Mexico to accept the amnesty decreed for guerrillas in 1982.

Carmelo Puac and Marcelino Ixcolin, two Indians from the western department of Huehuetenango, have asserted that groups of Guatemalan refugees "have been forced by military authorities to sign an amnesty document."

The Indians said: With this procedure, "we are in fact being charged with being guerrillas and cooperating with subversives. This puts us in a dangerous situation."

During his official visit to Mexico last June, Guatemalan President Vinicio Cerezo signed an agreement with Mexican President Miguel de la Madrid to repatriate 38,000 Guatemalan refugees from Chiapas, Campeche, and Quintana Roo states.

According to the groups of refugees who have made up their minds to return to Guatemala, this agreement has been violated because Cerezo's government has not laid the groundwork so that they can be established and forces them to sign a paper stating that they accept the amnesty. [passage omitted]

A group of 450 refugees who planned to return from Mexico this month might not do so because there are no proper housing, health, and security conditions in Guatemala.

Military sources and Cerezo's government have kept silent on the refugee leaders' report.

HONDURASAZCONA ON MILITARY-CONTRA LINKS, CORRUPTION

PA041403 Tegucigalpa Cadena Audio Video in Spanish 1140 GMT 4 Mar 87

[Excerpt] President Jose Azcona Hoyo spoke yesterday at the presidential house about the alleged involvement on Honduran military men in arms trafficking. He also spoke about acts of corruption in the delivery of arms to the Nicaraguan contras.

We can recall that THE NEW YORK TIMES has reported, based on statements by Colonel [as heard] John Singlaub, that Honduran military men have been involved in transferring arms to the Nicaraguan contras; however, they not only transferred arms, they also requested bribes to participate in those operations.

Because of this, the U.S. Congress has appointed the Tower Commission. A report by this commission has implicated Honduran military men, and now the Honduran president is saying that the Armed Forces high command is going to investigate whether or not military men are involved in arms trafficking activities and if they were paid bribe money by the counterrevolutionaries.

Here is a report by David Romero:

[Begin recording] [Romero] President Jose Azcona Hoyo believes that the crisis the White House is going through in connection with the Tower Commission report will have no impact on Honduras' domestic policies.

[Azcona] I see no reason why it should have an impact. If Reagan ceases to be President, there will be another president, and if the Democratic Party happens to win the elections, Honduras will still have wonderful relations with the United States because the truth is that we need those relations. We have to be realistic. Many people are saying that we are a satellite. That is not the case. The thing is that we maintain commercial relations with the United States, relations that traditionally have been good for Honduras. The United States has always helped us. I believe that these relations will have to be maintained regardless of who is in government in Honduras or in the United States.

[Romero] The military men who are allegedly involved in arms trafficking for the contras and in accepting money -- do you agree that they should be investigated?

[Azcona] I believe this is being investigated. I believe the high command is investigating those things, but so far there is no culprit. The truth is that much is being said and there is much speculation, but we don't know what the truth is.

[Romero] One last question, Mr President. Walter Lopez has charged that there is much corruption among the contras in our country, and there are reports that military men are involved. Are you prepared to act, perhaps not directly, but [words indistinct]?

[Azcona] Look; I have no reason at all to intervene in contra matters. Officially, I have nothing to do with the contras, for good or for bad.

[Romero] But they are corrupting Honduran officials.

[Azcona] I repeat that the military is investigating this and military men will have to determine whether or not the charges are true. Regarding contra corruption, I have nothing to do with the contras. They are not my allies or friends. I do not know them and I have not talked with the contras because they have nothing to do with the government. [end recording] [passage omitted]

OFFICIAL ASKS ROSENTHAL TO RESIGN POST

PA022156 San Pedro Sula TIEMPO in Spanish 25 Feb 87 p 5

[Letter by Voz de Honduras commentator Moises de Jesus Ulloa Duarte to TIEMPO Executive Editor Manuel Camero, dated 23 February 1987]

[Text] Dear Manuelito:

I have read the letter sent to you by TIEMPO reader Maria del Carmen Fajardo, who does not fully identify herself and presumably lives abroad. I would like to meet that traveling reader very much so she could teach me how to distinguish between an interview and a debate on the radio in which questions are raised. That is what happened when yours truly posed questions to Jaime Rosenthal Olivea, presidential designate, and owner of TIEMPO newspaper.

It is worth pointing out to you and your alter ego, that mysterious female traveler, that my articles and commentaries express my views and carry my signature. In them, I maintain the clear and defined ideological stance that I have held for many years, since before Foreign Minister Carlos Lopez Contreras honored me with an appointment. He does not need my services to defend Honduras' foreign policies which President Azcona dictates and the foreign minister implements.

My air time on Voz de Honduras radio station for over 12 years and my column in EL HERALDO newspaper since its founding are solely my responsibility.

The owners of those two media do not hold a public post, let alone the high position of presidential designate who has the fundamental obligation of concurring with the government's policies. If he does not, as can be surmised from his solidarity with TIEMPO, he should resign from one of those two jobs, although his name has not been appearing in TIEMPO's masthead for some time now.

Yours truly,

Moises de Jesus Ulloa Duarte

Note from the Editor:

Regarding the extreme views expressed in the above letter, we will make the following observations:

If Jose de Jesus Ulloa Duarte — a Foreign Ministry official — states that his views aired on Voz de Honduras radio station and published in EL HERALDO are solely his responsibility and are unrelated to the Foreign Ministry or the owners of the media he works for, why does he attack Presidential Delegate Jaime Rosenthal Oliva, accusing him, because he is the chief owner of TIEMPO, of being responsible of the editorial policy of that newspaper? As was very well explained, the editor sets the editorial policy and the reporters' work. Why does he conveniently claim a privilege for himself that he denies others?

2. [number as published] As an official appointed by the Executive Branch in the Foreign Ministry, Ulloa Duarte is obligated to adhere to government policies. Otherwise, he would have to quit his post. His public statements and written comments necessarily have to correspond with the "foreign policies which President Azcona dictates and the foreign minister implements." This particularly applies to Ulloa Duarte because he is an analyst of national and international matters of that state ministry.

3. Jaime Rosenthal Oliva is presidential designate because he was elected to that post, not appointed to it, and so was the president of the Republic. His duty and responsibilities are for the people who elected him, and most of all, for all Hondurans.

He does not set the country's foreign policy nor is he involved in drafting it since that falls directly and solely within the purview of the president. Likewise, the president drafts the foreign policy together with the National Security Council. Rosenthal Oliva is not a member of that council. Therefore, he bears no responsibility in terms of drafting or implementing that policy.

4. TIEMPO records differing stances on foreign policy. These include the stances adopted by the ALIPO [People's Liberal Alliance] and Azcona's coalition during the elections. Rosenthal Oliva was involved in drafting that group's stances since he was Azcona's running mate. Rosenthal Oliva's stance adheres to the promises he made the electorate during the campaign, as can be checked by simply reviewing them. Where was Ulloa Duarte during the Liberals' campaign?

5. There is no legal, moral, or political reason to demand that Rosenthal Oliva resign. However, if Ulloa Duarte, as a government official, feels that the presidential designate should resign a post to which he was elected because he is one of the owners of TIEMPO — an independent media — we can suppose that he will ask for the resignation of deputies to the National Congress who were also elected by the people because they disagree with the government's policies. Since he is a lawyer and after consultation with Foreign Minister Lopez Contreras, we would like him to tell us how can this be lawfully done without the participation of the sovereign people who elected these officials.

Manuel Gamero, TIEMPO editor

Foreign Ministry Responds

PA022205 Tegucigalpa Televisora Hondurena in Spanish 0445 GMT 27 Feb 87

[Press communique released by the Foreign Affairs Secretariat on 26 February]

[Text] The Foreign Affairs Secretariat reports the following to the public regarding an article published in TIEMPO newspaper on page five on 25 February headlined "Foreign Secretariat Lopez Contreras Demands That Rosenthal Oliva Resign":

1. Presidential Designate Jaime Rosenthal Oliva is an official elected by the people. He ran on the presidential ticket that included Jose Azcona.

2. Azcona's presidential ticket presented to the nation a democratic platform based on the defense of the republican and representative system of the government [words indistinct] national sovereignty.

3. According to the Constitution, Presidential Designate Rosenthal Oliva could assume the presidency temporarily. Presumably, in such an instance he would continue to carry out the foreign policy and administrative and social activities of President Azcona, which Rosenthal Oliva is familiar with.

4. Foreign Affairs Secretary Carlos Lopez Contreras maintains a very cordial and friendly official and personal relationship with Rosenthal Oliva.

5. In view of this, it would be unimaginable and outrageous for the foreign affairs secretary to even consider the possibility of Rosenthal Oliva resigning from the post to which he was elected.

6. It would be likewise strange for Rosenthal Oliva to be in agreement with the director of TIEMPO newspaper because, regarding the political international demand presented by Nicaragua against Honduras, the newspaper director became an officious supporter of the Sandinists by saying: In view of the latest events at the border with Nicaragua and the resulting world scandal, Honduras' foreign policy regarding Nicaragua is clearly at variance with international law. Published on 1 April 1986. Also, apparently well informed; he said: What would happen, then, if Nicaragua also appealed to the International Court of Justice to demand that Honduras compensate for the damage inflicted through the use of Honduran territory in the U.S. aggression against this friendly country? This was published on 7 July 1986.

In addition, he accused the country in the following way: Of those countries, Honduras is the only one risking its own neck with this aid for the contras and is even responsible for the crime of intervention in another state's domestic affairs, according to our penal law. Published on 12 July 1986.

Furthermore, and shamelessly, he has tried to incriminate Honduran institutions by saying in an editorial that there are contras in camps in Honduras and that only in this way can they get military assistance to attack Nicaragua. The routing of firearms and ammunition does not pose a problem. It is done through the Honduran Army or other nongovernmental agencies.

The responsibility lies in the fact that, regardless of the procedure of delivering weapons and training mercenary troops, the destination is Honduras because the contras are here and attack another country from here. All this is done in violation of both international and national law, to the detriment of our national interest. [Published on] 24 October 1986.

7. The Honduran Foreign Affairs Secretariat hereby refutes the accusations of the TIEMPO newspaper director and stresses that his primary duty is to defend Honduras' rights and interest and not to promote the Sandinist Government.

Honduran Foreign Affairs Secretariat

Information and Press Directorate

26 February 1987

NICARAGUA

ORTEGA PRAISES TIES OF FRIENDSHIP WITH USSR

PA041338 Managua International Service in Spanish 1222 GMT 4 Mar 87

[Text] We are proud of our relations with the Soviet Union. We are never going to jeopardize those relations. The Nicaraguan people decide who their friends are and if the U.S. Government wants to be a friend of Nicaragua, let it duplicate the Soviet solidarity. On Tuesday [3 March], in an event held approximately 140 km north of Managua, Commander of the Revolution Daniel Ortega Saavedra, president of the Republic, stressed the brotherhood that exists between the Soviet and Nicaraguan peoples. The president spoke in a ceremony to close the coffee-picking tasks in the La Fundadora agricultural complex in Matagalpa Department in the presence of a Soviet parliamentary delegation. Here is part of the speech by President Ortega Saavedra:

[Begin recording] We are proud to be meeting with representatives of the workers, patriotic producers, volunteer pickers, peasants [words indistinct] the Nicaraguan people who have waged this new battle in defense of the revolution: the battle of the coffee harvest. [words in distinct] when we have with us a Soviet delegation led by Comrade Boris Yeltsin, who has come from Moscow to visit us deep in the mountains of Nicaragua. He has come to this war zone without being afraid of the (?war) and the counterrevolutionaries. [applause] he is convinced that this revolution is a revolution that is defeating the mercenaries, that it is victorious, and that is becoming increasingly consolidated every day. [applause]

Why has the Soviet delegation come to our country? Has it come to destroy cooperatives? [crowd shouts: no] has it come to kill children? [crowd shouts: no] Has it come to kill peasants? [crowd shouts: no] Why has the Soviet delegation come? It has come to express the Soviet people's solidarity and love for the Nicaraguan people. [applause]

The Nicaraguans, the workers, the peasants, and youths feel proud of our relations with the Soviet Union. It is clear that these are relations that we will never jeopardize. [applause] They are relations based on principles.

They involve the independence, self-determination, and sovereignty of the Nicaraguan people who decide who their friends are and with whom they will develop friendly relations. It is logical that we should have friendly relations. It is logical that we should have friendly relations with the Soviet Union because when the U.S. Government ordered the mining of our harbors, when the U.S. Government destroyed our fuel tanks, which was the first country to respond to help Nicaragua with the supply of fuel? [crowd shouts: The Soviet Union] When the United States ended cooperation in supplying the people with wheat and cooking oil, what was the first country to respond to help Nicaragua? [crowd shouts: The Soviet Union] The Soviet Union, in its relations with Nicaragua [words indistinct] truly friendly, has been characterized by helping the Nicaraguan people. The Soviet brothers have invaded Nicaragua with their tractors, their trucks to transport product, wheat, and petroleum. We wish the United States would invade us in the same way. If the United States wants the affection of the Nicaraguan people, they have an example. Let them behave like the Soviets. [end recording]

MORE ON ORTEGA ON CONTRA AID, TOWER REPORT

PA031914 Managua EL NUEVO DIARIO in Spanish 1 Mar 87 pp 1, 8

[Text] President Daniel Ortega has denounced the continuing arrival of supplies for the contras via the Honduran Government, and has described the increased arrival of U.S. military engineers in Costa Rica as a new mode of the U.S. military presence in that country.

During a meeting with Nobel Peace Laureate Adolfo Perez Esquivel, the head of state said that the Tower report confirmed Nicaraguan reports that the contras have never stopped receiving resources and money from the United States.

He said that the mercenaries are not being defeated due to a lack of resources, because resources have always been available, even in violation of domestic laws.

Ortega added: Furthermore, what we have been saying since the elections, that Mr Cruz is a paid CIA employee, has been confirmed. Cruz himself admitted that he was being paid by the U.S. Government, Mr North, and all those involved in the operations, Commander Ortega said.

He reiterated his claim that President Reagan knew about the operations, because his obsession with Nicaragua is so strong that information of this nature, which is in line with his policy, makes him rejoice. [sentence as published]

However, he said that Nicaragua cannot nurse any hopes about the results of the contragate investigations, because they pertain to a domestic U.S. struggle and will in no way change the plans of the U.S. Government, which approved \$100 million for the contras about 6 months ago and will soon discuss an additional [as published] \$40 million.

"Regardless of whether the \$40 million is provided, the Reagan administration's line will not change. Its position is to advocate a military solution; it is against the Contadora process, the Support Group, and the EEC," the leader said.

Nevertheless, he said that the report must move the Reagan administration to reflect, make policy changes, and seek ways to reestablish talks with Nicaragua. The U.S. Administration would then be moving along the path it should be following.

The dangers of larger terrorist actions, a naval blockade, an invasion, or surgical operations, which are the alternatives to follow in the wake of the mercenaries' defeat, are being maintained, Ortega said.

Ortega said that the report will also be used in the suit against Honduras and Costa Rica at The Hague, because it clearly shows that they have been involved. As for the military situation, the head of state reported that in the past few days there have been mercenary infiltrations from Honduras, but they have suffered blows and are returning to that country.

Ortega said that approximately 6,000 men are moving between the two territories and are attacking cooperatives, killing civilians, and ambushing transportation vehicles.

He pointed out that the mercenaries who have infiltrated are suffering casualties every day, but that the United States is reporting on them now that it is requesting \$105 million in addition to the \$40 million that will be discussed.

The president also commented on the upcoming meeting in Esquipulas, Guatemala, to which he received an invitation on Friday.

He expressed Nicaragua's willingness to participate in the meeting, which must be carried out within the framework of Contadora, and which must not harm the efforts of that group.

BAYARDO ARCE DENIES NEGOTIATIONS WITH CONTRAS

PA032333 Madrid EFE in Spanish 1501 GMT 3 Mar 87

[Text] Madrid, 3 Mar (EFE) — Bayardo Arce, commander of the Nicaraguan revolution, denied that his government is negotiating with the "contras" and reaffirmed "that we only offer them amnesty, to lay down their guns and return to Nicaragua."

In an interview published in the Spanish weekly TIEMPO, Bayardo Arce denied that there have been contacts with Arturo Cruz in Mexico and insisted: "We are not going to negotiate with the contras."

After pointing out that "the contras are on a strategic decline," Bayardo Arce stated that "the key figure in the organization continues to be Calero" and that "Cruz and Robelo are two puppets."

Bayardo Arce accepted that the "contras" have reentered Nicaragua, "but in small groups and with serious supply problems," after the Sandinists loosened-up "the border operation so as not to give the United States an excuse with border incidents between our troops and those of Honduras."

Arce, who is responsible for FSLN international relations, insists that the goal of his government is to negotiate directly with the United States, and points out that "Perez de Cuellar, Contadora, and the EEC should keep up their assistance because they are the last hope of reaching" that negotiation.

Touching on the Central American outlook, Bayardo Arce said: "We do not consider any Central American country an enemy. Without U.S. pressure we would have already reached agreements on respect and living harmoniously. Central America's tragedy is that it is very difficult to negotiate with someone who is foreign to the region."

Regarding the internal situation of his country, he said: "We might be able to hold municipal elections this coming year. We now have to develop the new Constitution through the necessary laws."

BOS DENIES HOLDING TALKS WITH SANDINISTS

PA032234 Panama City ACAN in Spanish 0036 GMT 3 Mar 87

[Text] San Jose, 2 Mar (ACAN-EFE) -- The anti-Sandinist Southern Opposition Bloc (BOS) today denied having held any talks with Nicaraguan Government representatives in Mexico City, as reported in the Spanish magazine CAMBIO 16.

No BOS leader "has held talks with Sandinist authorities," the anti-Sandinist organization said in an official note delivered to the press in this capital.

In today's edition, the Spanish magazine reported that Arturo Cruz and Alfonso Robelo -- members of the directorate of the Nicaraguan Opposition Unity (UNO) -- and BOS representatives met with Sandinist officials in Mexico City last week.

The weekly magazine, attributing the report to Virgilio Godoy, president of the Nicaraguan Independent Liberal Party, said that the objective of those contacts was to "review" a possible return of the anti-Sandinist leaders to Nicaragua.

CAMBIO 16 reported that Sandinist Minister Jaime Wheelock met in Mexico City with BOS President Alfredo Cesar to review the possibilities of a pact between that group and the Nicaraguan Government, which would signify the reincorporation of the rebels into society, following the acceptance of a general amnesty.

The BOS document stated: "We believe that the magazine has been given false information," adding that "we emphatically reject all the points in which we have been mentioned."

The BOS also reaffirmed its support for President Oscar Arias' peace initiative for Central America, which it described as "the greatest effort toward national reconciliation and democratization in Nicaragua."

The document added: "The BOS has promoted policies concerning the conflict, aimed at achieving peace and sparing our people any further suffering. Nevertheless, it has not and will not sign a secret pact with the FSLN," the ruling party in Nicaragua.

The BOS said that it would accept a cease-fire in Nicaragua and reiterated its willingness to take part "in the domestic political life once the liberties and fundamental rights are restored and a general amnesty implemented. Under those conditions, it would be able to participate in a dialogue and national reconciliation with the rest of the opposition," it stressed.

CONTRA OFFICIALS DISCUSS UNO LEADERSHIP

PA031429 Madrid EFE in Spanish 0131 GMT 3 Mar 87

[Report by Jeannine Camps]

[Text] Miami (Florida, USA), 2 Mar (EFE) -- The reforms which the new Nicaraguan "contra" triumvirate is trying to implement "are hanging by a thread," following Adolfo Calero's announcement that he wants to return to the anti-Sandinist leadership after resigning some days ago.

Arturo Cruz, Alfonso Robelo, and Pedro Joaquin Chamorro make up the new "transistion" directorate of the Nicaraguan Opposition Unity (UNO), which is in charge of implementing the promised reforms, following Calero's resignation last month.

The main points in those reforms are: forming a single army under civilian command, centralizing financial control, and broadening both the directorate and the UNO assembly.

The new triumvirate began the first round of meetings in Miami last Friday [27 February]. The meetings are to end next Wednesday with the issue of a joint document on reforms in the three areas mentioned. However, reliable sources have told EFE that the task is "more difficult than expected."

Although the new government changes in President Ronald Reagan's administration, which result from the "Irangate" scandal "undoubtedly" favor the so-called "moderate contras" -- headed by Cruz and Robelo -- the real power held by Calero has made the reforms "hang by a thread," a member of the rebel directorate told EFE.

Calero's continuation as head of the "Nicaraguan Democratic Force" (FDN), the largest rebel group, and his control over the most radical groups of Nicaraguan exiles "endangers not only the pending reforms, but the attempts to formulate them," the source added.

The appointment of a civilian as the principal leader of the "contra" forces has been "blocked" for the moment, because of Chamorro's opposition, as he feels that it would not be "viable" to impose a higher command on Colonel Enrique Bermudez, FDN top commander.

Some rebel leaders fear that Chamorro, whom they consider a "convinced democrat and honest man," could feel "obligated" to Calero, who appointed him as his substitute.

Chamorro arrived in Miami from Honduras last Thursday, accompanied by Calero. "He went to greet the fighters before meeting for the first time with the members of the new directorate," a reliable "contra" source stressed.

The fighters, 90 percent of whom belong to the FDN, are skeptical about Cruz and Robelo having the "contras" leadership, according to a report published today by THE NEW YORK TIMES.

The three main literary leaders told that newspapers that they were willing to consider a plan to reform the army's command. However, they stressed that first, the UNO directorate must be expanded and that Cruz and Robelo must not have a majority.

"We are struggling for all the opposition sectors, and not for the one imposed by Washington" Aristides Sanchez, an influential figure, said, clearly referring to the support given Cruz and Robelo by the U.S. State Department, which resulted in Calero's resignation.

Bermudez, who was a colonel in the National Guard of the previous regime headed by Anastasio Somoza, noted that he had worked for 6 years to create the armed forces, and now a small group of civilians want to take over control.

Rebel sources feel that the telegram sent by Bermudez to Cruz and Calero, in which he expresses his support following Calero's resignation and the announcement on reforming the "contras," could turn out to be "a worthless piece of paper."

The recent support expressed by the Reagan administration to the sector headed by Cruz and Robelo means "a boost to the two-track policy," sources of the rebel leadership told EFE.

"In addition to the military pressure against the Managua regime, which we all feel is necessary, special emphasis will be given to the political struggle," the sources added.

Within this framework, Philip Habib, U.S. special envoy to Central America, met in Miami last Friday with the new "contra" leadership to discuss the peace plan drafted by Costa Rican President Oscar Arias.

This plan, which was introduced in mid-February, proposes a cease-fire, dialogue between the Sandinists and the internal opposition, and an end to U.S. aid to the "contras."

The radical "contras" allied with Calero feel that this sort of proposal is tantamount to "surrendering to the communists."

"The fact is that the leftists have seized control of the organization with the complicity of leftists in the U.S. Congress," Jose Medina, a member of the "UNO" Assembly and Calero follower, told EFE.

Moreover, expanding the "UNO" Assembly from 28 to approximately 50 members, a step the Cruz-Robelo faction regarded as necessary to provide "greater participation," is also a cause of friction.

Medina said: "They are seeking to obtain a majority, something at present they do not have."

Calero announced several days ago that he intends to return to the "UNO" directorate when it is expanded.

Sources close to the triumvirate expressed their "stance" on Calero's return. They said that the previous "hybrid" directorate proved that it could not work.

VICE MINISTER VIEWS U.S. HUMAN RIGHTS RECORD

PA031906 Havana International Service in Spanish 2300 GMT 28 Feb 87

[Part one of interview with Jose Raul Viera, first vice minister of the Ministry of Foreign Relations, by correspondent Ezequiel Perez Martin; no date or place given -- recorded]

[Text] [Perez] We now have the pleasure of talking with Jose Raul Viera, Cuban vice foreign minister, whom we want to ask some questions regarding the human rights debate in Geneva. The Cuban delegation in Geneva has maintained that the United States does not have moral authority to assume the role of defender of human rights. We would like to know why this is so?

[Viera] Specifically referring to Cuba, such a moral authority does not exist because from the time that the United States intervened in the 1898 war, supported the dictatorial governments, advised the police who tortured, murdered, and caused the disappearance of Cubans in those periods, to the time of the revolution when it organized invasions of Cuba and continues to block trade with our country, it can hardly be said that a country that has developed this consistently aggressive policy against our people has the moral authority to judge human rights in Cuba.

[Perez] We understand that the Cuban delegation has circulated a document, a resolution. Can you mention the main points of this document?

[Viera] Yes, the Cuban delegation has presented a draft resolution on the U.S. Government's policy, which violates human rights. It is not the first time that Cuba has denounced U.S. human rights violations. There are two types of these violations: There are the violations committed by the U.S. Government inside its own territory. These violations have worsened under the current U.S. Administration, President Reagan's administration. The second type is the violation of the human rights of other peoples through its support for dictatorial regimes like those of Pinochet of Chile or the racist South African regime, just to give two examples. The resolution presented by Cuba draws the international public's attention to the violation of the human rights through racist and discriminatory practices against the ethnic minorities in the United States. We are above all referring to the U.S. Indian population which, as we all know, was virtually exterminated. Those left, hundreds of thousands of human beings, are held confined in reservations. Compared to the rest of the citizens, there are higher numbers living under the poverty levels. They suffer discrimination in obtaining jobs in the government and in the main corporations in the country. They also suffer other types of violations of their human rights.

We are also referring to the black population which is the biggest minority in the United States. Despite the U.S. Civil War, despite the abolition of slavery, and despite the struggle for civil rights, the black population has been unable to obtain equality with other U.S. citizens.

The black community also has a larger percentage of poor and criminals. It is especially persecuted by the police and it is subject to mistreatment which is not investigated. Those guilty of that mistreatment are not convicted. Because of this, the black's human rights are violated.

We are also referring to the Hispanic minorities. We are referring to Mexicans who cross the border seeking jobs in the United States. We are referring to Puerto Ricans. Millions of Puerto Ricans live in the main U.S. cities and their human rights are violated just as those of the blacks and Indians are.

The draft resolution also calls on the United States to act in line with the international agreements so that its citizens will fully enjoy their civil rights in the United States and in addition that the United States sign the many agreements that it has not signed. Our resolution also calls for a stop to the support for regimes whose policy degrades human rights in other countries. In this case, we are referring to the Pinochet regime and the racist South African regime.

Further Remarks

PA031911 Havana International Service in Spanish 2300 GMT 2 Mar 87

["Part two of interview with Jose Raul Viera, first vice minister of the Ministry of Foreign Relations, by correspondent Ezequiel Perez Matinez; no place or date given -- recorded]

[Text] [Perez] Considering the composition of the UN Human Rights Commission, what repercussions has the U.S. stance had?

[Viera] The repercussions have been generally negative. We are not referring to those governments that are closer to Cuba because of their philosophy or political stances -- that is, the socialist governments or the Third World progressive governments. Instead, we are thinking about the U.S. allies or the countries dependent on the United States. The majority of the governments of these countries tend to adopt a respectful and serious attitude towards the United Nations. They seek to upgrade the UN role -- that is, its role in the discussion of respect for human rights in the world. By virulently, unjustifiably, and without proof taking Cuba's case to the Human Rights Commissions, the United States is placing in peril the very seriousness of the institution. As a matter of fact, the United States is proceeding against the United Nations...[changes thought] this is a part of an overall political concept of that administration regarding the United Nations. This has made its own allies leery. For that reason, the United States has had to resort to countless pressures. This accounts for the traveling and moving back and forth of Vernon Walters, Elliott Abrams, and [Jeane] Kirkpatrick. This accounts for the use of the mass media, and is the reason why large sums are being spent. The United States is trying to impose a decision on the international community with which that community does not agree.

[Perez] A large part of the U.S. human rights campaign against Cuba focuses on the problem of so-called political prisoners in Cuba. Can you give us your views on the matter?

[Viera] I think the concept of political prisoners calls for a clarification. There are no Cuban citizens in jail for their political views. Instead, in Cuba, there are people in jail for terrorist actions, for meeting to plan terrorist actions, and for cooperating with U.S. intelligence and subversive agencies. That is why there are counterrevolutionary prisoners in Cuba. No one is in jail for his political views. I want to begin by making this clarification.

Since the triumph of the revolution, the Cuban penal system has been noted for its humanitarian principles. We created a revolution aimed at changing our country's social system, and the hunger that prevailed. The goal was to change social and economic conditions. Moreover, the revolution particularly sought to end unlawful arrests, use of torture and physical abuse, and murder of Cuban citizens. In sum, the revolution sought to restore a de jure regime to Cuba.

Those were the origins of this revolution. It was also directed against the billy clubs of the police. I must add that these billy clubs symbolized the U.S.-trained police. Thus, this revolution has been generous with those that have acted against it. In recent years, the problem of counterrevolutionary political prisoners has been characterized by a reduction in their number. The news we are constantly reading in the newspapers or watching on television -- even on U.S. television, or in the U.S. major mass media -- is about counterrevolutionary political prisoners who have been pardoned, have left jail, or emigrated to the United States. Not one single truthful and documented report of indiscriminate arrests exists.

In Cuba there are no missing persons, and no one has been tortured or killed. The United States has been unable to present any proof in Geneva. In that same Human Rights Commission there is a group that discusses the reports on missing people. Not one single case of a missing person in Cuba has been introduced in that commission. There has not been one single case of a missing person in Cuba being reported there. This is what we must say on the matter of counterrevolutionary political prisoners: Their numbers are decreasing. The treatment they receive reflects the humanitarian nature of our revolution. The propaganda that exists about them is politically motivated and unrelated to their fate.

BOHEMIA ARTICLE ANALYZES U.S. CHARGES AT GENEVA

PA030443 Havana International Service in Spanish 2300 GMT 2 Mar 87

["What the Press Has To Say" feature, part two of program presenting BOHEMIA article on U.S. "campaign of slander" at Geneva. Part one is published in the 2 March Latin America DAILY REPORT, page Q 4.]

[Text] As we said in our previous program, we are devoting two segments of our feature to the slander campaign that the United States is waging on the human rights issue at Geneva. Today, we present part two on this subject. We continue with an article by journalist Miguel Rivero published in the most recent edition of the magazine BOHEMIA.

The document presented by the U.S. delegation in the Swiss city quotes the case of a policeman of the Batista days, Armando Valladares, as an example of lack of artistic freedom in Cuba. The so-called free world has tried to turn the false paralytic, Valladares, into a poet.

Miguel Rivero points out that Valladares was condemned for having detonators and explosives, and for being involved in a sabotage campaign to destroy the revolution. He was, of course, sentenced according to the law, after having been brought to trial. When the document refers to arbitrary trials, it becomes ridiculous. The case of Marcos Rodriguez is mentioned. It was proven that Rodriguez was an informer of the revolutionaries, who were hiding at Number 7, Humboldt Street. As a result of his information, the Batista police murdered four young university students on 20 April 1957.

BOHEMIA reports that it is hard to believe, but the Americans quote in their document the case of Anibal Escalante, an leader who made mistakes and used incorrect leadership methods. However, Reagan's representatives try to ignore a significant event: Escalante died a member of the Communist Party of Cuba.

The fact that cases have been mixed into the list of alleged human rights violations lead one to certain hypotheses. Either the U.S. State Department theoreticians were forced to grab any dossier to accumulate as much as possible of what they consider evidence, or they are trying to exploit events that took place over 2 decades ago with the vain hope of impressing the youths who did not live through those experiences.

The most recent antecedents of this campaign against the Cuban revolution are found in a meeting of the human rights subcommittee of the U.S. House of Representatives held on 24 September 1986 that was attended by Elliott Abrams, the assistant secretary of state for inter-American affairs, and Richard Schifter, assistant secretary of state for human rights and humanitarian affairs. Who told the Americans that they are empowered to become the supreme judges of human rights? The list of aggressions, organization of actions of sabotages, attempts, an terrorist actions that the United States has carried out against Cuba is so long that if this subcommittee were to become interested in studying the dossier, it would probably have to go into a permanent session for an entire legislative session.

Journalist Miguel Rivero states that hundreds of pages could be written if one goes into the discrimination in the United States against the blacks, Mexicans, or the Indian groups who have been evicted from their lands. It has been precisely this administration that has been noted more for eliminating the rights or means for earning a living of the poorest in the country and continuously reducing the amounts destined for main social programs.

The U.S. Government is not only directly responsible for the barbaric situation of South Africa, for the persons that are tortured or missing in El Salvador, or for the repression in South Korea, but its own homeland is marred with the continuous and systematic violation of the most basic rights of millions of human beings. Perhaps some will wonder what the reason is for this campaign against Cuba? The trouble is that the Ronald Reagan administration is totally disconcerted. While it places more emphasis on trying to maintain the blockade against our country and cut the ties of this island with other Latin American countries, the exact opposite has occurred.

Cuba has strengthened its diplomatic commercial, and cultural ties with a good part of the Latin American countries. Thousands of Latin American, Canadian, and European tourists who come to our country are able to prove that the true situation is quite different from the versions they had heard.

Miguel Rivero concludes his article in BOHEMIA by saying that all this bothers the U.S. authorities, who are exasperated with this rapprochement of our peoples, something they cannot stop or control.

U.S. Charges 'Refuted'

PA032348 Havana International Service in Spanish 2300 GMT 3 Mar 87

[Text] Cuba refuted today in detail U.S. charges concerning alleged violations of human rights contained in a declaration circulated by Washington's representative at a UN conference taking place in Geneva.

The Cuban rebuttal calls the U.S. assertions concerning religious and cultural repression in our country false, including the alleged murder of six individuals. It has been demonstrated that the six are alive and serving jail terms for crimes against state security.

Cuba's statements emphasized that violations of human rights cannot be talked about in a country where those guilty of counterrevolutionary crimes are tried with all constitutional guarantees. It affirmed that the U.S. charges do not convince anybody.

Several delegates to the UN's 43d session on human rights have affirmed that the Cuban text is clear and objective and leaves no room for doubt.

COMMENTARY VIEWS TOWER COMMISSION RESULTS

PA032022 Havana International Service in Spanish 0000 GMT 3 Mar 87

["Note" by Elena Nunez]

[Text] Despite the efforts of the Tower Commission to pull Ronald Reagan's chestnuts out of the fire, the U.S. President is facing the highest level of unpopularity in his term. A NEWSWEEK poll reveals that 53 percent of the U.S. people described Reagan's behavior in the presidency as negative while more than half of those surveyed are convinced that the President is the main person responsible for the Irangate scandal.

The Tower Commission report, which was aimed at clearing Ronald Reagan of responsibility in the secret sale of weapons to Iran and the diversion of funds to the Nicaraguan counterrevolutionaries, has not had the desired results.

Since the crisis exploded in November, U.S. public opinion has witnessed a string of contradictions, evasions, and silences which have characterized the behavior of the President in Irangate. Such inconsistent behavior has contributed to the deterioration of the image of the President, who for some is a liar and for others is an incompetent who permits policy decisions to be made behind his back. Both perspectives reflect Reagan's discredit among the U.S. population.

This opinion has spread to some of Washington's allies who view with concern how the U.S. President has lost prestige. In the Middle East, traditional friends of the White House, such as Jordan, have criticized the U.S. Government's conduct in sending military supplies to Tehran while some EEC countries are carefully observing Ronald Reagan's mistakes.

However, as many observers have well pointed out, Irangate is but an explosion of a long list of covert and destabilizing operations that characterize U.S. foreign policy. We must not forget the dirty war unleashed against Nicaragua, the disinformation campaign against Libya, the attacks on the Libyan cities of Tripoli and Benghazi, the distortion of the talks in Reykjavik, and many other actions aimed at imposing the Reagan administration's activities on the world.

However, this tactic of dealing unexpected blows in order to obtain impressive short-term successes shows the instability of the U.S. international strategy based on actions similar to those which provoked the explosion of this political bomb that is now shaking the White House.

Nicaragua's Ortega Comments

PA032055 Havana International Service in Spanish 0000 GMT 3 Mar 87

["Exclusive" interview with Nicaraguan President Daniel Ortega by Luis Cabrera in Managua; date not given -- recorded]

[Text] [Cabrera] Commander, what is the situation of the Nicaraguan suit against Honduras and Costa Rica in the International Court of Justice following the release of the Tower Commission report?

[Ortega] I think these reports are elements that we are certainly going to use in the court proceedings against Honduras and Costa Rica because it clearly shows that these governments, the Honduran and Costa Rican Governments, have been involved. It must be borne in mind that Nicaragua's suit is not against individuals. In other words, it is not against the Honduran or Costa Rican president. Instead, it is against the (?state structure) of that country regardless of the government in power or who is heading the government. It is a suit against the government of the country. We are not now going to say that, because the previous government was the one involved that this frees the country of responsibility. What is being shown is that there has been direct involvement in the terrorist actions against Nicaragua. In the case of Honduras there have been recent charges that supplies continue to be sent to the mercenary forces through the Honduran Government, and in the case of Costa Rica that there has been an arrival of U.S. military engineers, which is a way, a means, of taking the U.S. military presence to Costa Rica and, therefore, of increasing the military presence and encirclement around Nicaragua.

POSSIBLE U.S. 'INVASION' OF NICARAGUA VIEWED

PA031928 Havana International Service in Spanish 2300 GMT 2 Mar 87

["Note" read by Amalia Sanmartino]

[Text] Hello friends, the [words indistinct] of positions and measures in this regard from the United States and its Central American allies make the danger of a direct invasion of Nicaragua an ever present concern for the authorities of that country. Last week, in diverse public appearances, Nicaraguan President Daniel Ortega and Defense Minister Humberto Ortega warned about the possibility that the United States may implement a naval blockade or directly use its troops to try to halt the military failure of the counterrevolutionaries.

In one of his analyses, Daniel Ortega said that the only way the contras can improve their offensive level and postpone a total defeat is to ask for U.S. military support. Moreover, the Nicaraguan defense minister said that it is no longer militarily possible for the mercenaries to defeat the people's revolution. Proof of that can be seen in their latest armed attacks that concluded with their withdrawal toward their bases or the formation of small groups inside Nicaragua which do not engage in clashes.

Some of the measures mentioned at the beginning of this note seem to prove that the Sandinist authorities are right. On this matter, it is worth noting that the Costa Rican Government inaugurated this weekend the first of seven bridges which U.S. military engineers built along the border with Panama. These bridges are part of the U.S. military structure in Central America in case of an invasion of Nicaragua. They constitute a means to expedite, the movement of U.S. troops from Panama, the headquarters of the U.S. Army's Southern Command, toward the Costa Rican northern area along the Nicaraguan border.

To conclude, the concern of Nicaraguan authorities and their order to maintain the country on alert in view of the possibility of a direct attack against their territory seem justified. In fighting, corruption, and defeat have been the characteristics of the mercenary groups. For that reason, a direct invasion would be the last U.S. recourse to defeat the Managua government. The Nicaraguan people are always ready to face and defeat this possibility.

FISHING AGREEMENT SIGNED WITH CANADA

FL030416 Havana Radio Reloj Network in Spanish 0304 GMT 3 Mar 87

[Text] After the recent conclusion of bilateral negotiations on fishing, Canada will keep the fishing quota it assigns the Cuban fleet unchanged for this year. The final document was signed by Enrique Oltuski, vice minister of the fishing industry, and by (Victor Rabbino-witz), Canada's deputy minister for fisheries and oceans. The document underscores the strong ties between the two nations in the fishing field. It will guarantee the Cuban fishing fleet's continued operations in Canadian waters in search of hake, perch, squid, and others.

Moreover, Cuba and Canada have firmed up their trade commitments to each other for this year. Jorge Fernandez Cuervo, minister of the fishing industry of Cuba, and Thomas Siddon, minister of fisheries and oceans of Canada, described their negotiations as successful.

FURTHER REPORTAGE ON CYPRIOT PRESIDENT'S VISIT

Awarded Jose Marti Order

FL252136 Havana Tele-Rebelde Network in Spanish 1228 GMT 25 Feb 87

[Council of State statement read by Vice President Carlos Rafael Rodriguez at ceremony bestowing Jose Marti Order on Cypriot President Spiros Kiprianou at Havana's Palace of the Revolution on 24 February -- recorded]

[Text] Your Excellency, Mr Spiros Kiprianou, president of the Republic of Cyprus, dear Comrade Fidel Castro, esteemed guests, and comrades:

The Council of State of the Republic of Cuba has decided to award you the Jose Marti Order very esteemed Cypriot president. With this, Cuba wants to symbolize the high appreciation for a life such as yours dedicated completely to defending the independence and territorial integrity of your country and to promoting the international pursuit of peace and the peoples' rights, and its high regard for the Cypriot people, who during long years, under hard and difficult conditions, gave the world an example of noble persistence and combative disposition in their cause.

The independence of Cyprus, accomplished by combined patriotic forces, had a symbol for many years that seems appropriate to recall today, (?President Makarios) [as heard].

For the Cuban people, the meeting between Fidel and Makarios in Algiers during the fourth summit of the nonaligned countries was a historic embrace for two distant, militant, proud islands, which had worked together for many common causes.

You, very esteemed President Kiprianou, accompanied that great leader of your people in his first battles. While still young, you reached the highest positions in the Cypriot youth movement, which fought for independence. When this was achieved, you received the responsibility of defending the rigorous foreign policy of Chile [corrects himself] Cyprus as foreign minister. And on the day that the communities which comprise the nation of Cyprus were left without the inspiring leadership of Makarios, they chose you, the one who had been his permanent comrade, to lead the country.

Cyprus, one of the European countries which valiently decided, in not very favorable circumstances, to become a nonaligned country and to work for the international principles of our movement and which, like Cuba, contributed to its founding, has played a very positive role within the movement.

We are pleased to highlight tonight the permanent agreement of our two countries on the principal problems of international policy.

Your personal appearance at the sixth summit in Havana was a dignified and clear response to those who attempted to obstruct that historical meeting and dissolve the principles of the Nonaligned Movement.

In New Delhi, in Harare, you and Fidel together waged many outstanding political battles. This permits us, on the occasion of your arrival in our country, to stress that the Nonaligned Movement once again has the opportunity in regard to the problem of the foreign debt, to echo the clamor of the peoples, who are being made to pay under conditions that range from precariousness to misery, for the voracity of the moneylenders, the fraudulent complicity of some government leaders the majority of whom have been swept away by the action of their fellow citizens and the permanent zeal for profit of some businessmen.

This has been a valiant opportunity for Brazilian President Jose Sarney and his government to decide that they cannot continue paying even the interest on their debt at the expense of the survival of the Brazilian people. It would not be right to minimize the impact of this historic decision. And above all, the foreign debt affects Latin America but it also strikes at Africa and Asia. It is our problem, the problem of underdeveloped countries, and the Nonaligned countries problem. Cuba has expressed its solidarity with Brazil through remarks made by Fidel Castro but we are sure that the movement will make itself heard in response to Brazil's statement in accordance with the decisions made at New Delhi and Harare.

We could say, esteemed Cypriot president, that the continuity of Cuba's and Cyprus' membership in the Nonaligned Movement and at the United Nations is the result of accidental alphabetical reasons, but our agreement on the fundamental problems in the international arena has a more profound basis, which is the position of our peoples and their leaders. Because of this, we are especially happy that Cuba could help with its political action and vote to select Cyprus as host of the next ministerial meeting of the Nonaligned Movement.

Jose Marti is the most prominent figure of prerevolutionary Cuba. He does not belong to a forgotten past but he is present and active in our national life. Fidel proclaimed him as the intellectual guide of Moncada.

By awarding you this order that bears his name and which shall be bestowed by President Fidel Castro, Cuba wants to demonstrate its commitment to the independence of Cyprus and its territorial integrity, which we have defended and which we will defend at all international forums. Cuba also wants to demonstrate our respect to you, who represents and leads Cyprus.

Kiprianou Praises Relations

FL252147 Havana Tele-Rebelde Network in Spanish 1228 GMT 25 Feb 87

[Speech by Cypriot President Spiros Kiprianou after receiving Jose Marti Order from President Fidel Castro at ceremony held in Havana's Palace of the Revolution on 24 February; in English with consecutive Spanish translation -- recorded]

[Text] I feel deeply touched and greatly honored with the decoration which I was just awarded, which I shall always cherish.

I interpret this as an honor to my country, Cyprus, from a country which has been closely associated and cooperating with my own country in the cause of peace and freedom in the world. [as Kiprianou speaks, the camera pans the Cuban protocol line and shows Cuban Politburo members Juan Almeida Bosque, Jose Ramon Machado Ventura, Jorge Risquet Valdes, Vilma Espin, Armando Hart Davalos and Central Committee members Jose Ramon Fernandez and Isidoro Malmierca. The camera shows Kiprianou's wife and Cypriot Foreign Minister Yeoryios Iakovou among those standing in the Cypriot protocol line.]

I remember the first meeting of the nonaligned in Belgrade in 1961. The first few leaders of nonalignment in which President Fidel Castro, the late president of Cyprus Archbishop Makarios [words indistinct] along with Tito and Al-Nasir putting together their efforts to realize a common dream in the world, to see a new world based on lasting peace, freedom, and justice.

Many years have gone by and that dream has not been realized. Yet, the movement has survived the many difficulties and it is still our hope to see the Nonaligned Movement play a more effective role in the world.

I can declare once again on this occasion that we believe in nonalignment and we believe in the principles of nonalignment and we shall continue to do our utmost in cooperation with all the other members of the Nonaligned Movement for the realization of our common objectives.

I hope and trust that the next foreign ministers' conference, which will take place in Cyprus -- thanks to the unanimous decision of the summit meeting at Harare, and I must in this connection stress the important contribution of my dear friend President Fidel Castro for the achievement of this goal -- I trust and hope that this will be a success in furtherance of our common objectives.

We shall continue cooperating with you within the United Nations, within the Nonaligned Movement for the establishment of permanent peace in the world, but I must stress the gratitude of the people of Cyprus, of the government and myself for the consistent support of Cuba and personally from its president to the just cause of the people of Cyprus for freedom and justice.

We are going through perhaps the most difficult period of our history and this is the time we count our friends and I can assure you that we consider you one of our best friends. I dare say that [word indistinct] the international community were to follow the same policy in regard to Cyprus, the Cyprus problem would have been solved a long ago [corrects himself] a long time ago. We are going through a difficult period but we are confident about the outcome of our struggle. We rely on our friends and I hope that the time will not be too far off when we shall be able to insure a solution to the Cyprus problem, which will guarantee on a lasting basis our independence, sovereignty, unity, territorial integrity, and nonalignment.

I would like once again to express my gratitude for the great honor bestowed upon me and in conclusion I would like to express once again my deep appreciation [words indistinct] for your gracious invitation to visit Cuba. I have no doubt that our new talks and this visit in general will prove to be another contribution strengthening further our cooperation and friendship.

Thank you very much.

Cooperation Agreement Signed

FL280209 Havana Television Service in Spanish 0100 GMT 28 Feb 87

[Announcer-read report over video showing farewell ceremony held at airport for Cypriot president]

[Excerpt] [Passage omitted] The 4-day visit ended today with the signing of a cooperation protocol between the two countries. The protocol was signed by Isidoro Malmierca and George Iacovou, Cuban and Cypriot foreign ministers, respectively. This agreement lays the foundations for the broadening of trade between the two islands and considers the exchange of 33 different agricultural and industrial goods for each side. The agreement also includes customs and air transportation facilities as well as the participation in international fairs and expositions, among other matters.

Kiprianov Departs 27 Feb

FL272307 Havana Radio Network in Spanish 2132 GMT 27 Feb 87

[Text] Commander in Chief Fidel Castro, president of the Councils of State and Ministers, warmly embraced Spiros Kiprianou as he saw off the president of the Republic of Cyprus at 3 o'clock today. Kiprianou ended his 4-day official visit before boarding the Cubana de Aviacion aircraft, which took him to Montreal en route to Europe. The Cypriot head of state received military honors by a FAR special ceremony unit. After reviewing the units representing the three armed forces, Kiprianou, accompanied by Fidel, greeted state and government leaders, members of the diplomatic corps, and hundreds of Havana residents who went to the airport terminal.

During his stay in Cuba, the Cypriot statesman received the Jose Marti National Order, toured places of interest in the Cuban capital, and the provinces of Havana and Cienfuegos.

Before ending his official visit in our country, a cooperation protocol between Cuba and Cyprus was signed at the Cubanacan protocol room. Official talks were held at the Revolution Palace between the two Cuban and Cypriot high-level delegations headed by Commander in Chief Fidel Castro and Cypriot President Spiros Kiprianou, respectively.

Nicosia's press as well as our country's media widely covered the Cypriot president's official visit and highlighted the two countries' international relations.

Spiros Kiprianou visited Cuba in 1979 when he headed his country's delegation to the Sixth Nonaligned Movement Meeting held in Havana.

PARLIAMENTARY DELEGATION LEAVES FOR DPRK

FL031744 Havana Radio Periodico del Aire in Spanish 1700 GMT 3 Mar 87

[Text] A delegation of the National Assembly of the People's Government [ANPP] headed by Severo Aguirre del Cristo, member of the Central Committee of the Communist Party of Cuba, vice president of the ANPP, and chairman of the Cuban Parliamentary Group, has left for the DPRK to participate in a consultative meeting of the socialist countries.

The meeting will be held in Pyongyang from 6-10 March to coordinate the work of the socialist countries' parliaments in light of the upcoming IPU conference.

FLAVIO BRAVO PRAISES COOPERATION WITH BULGARIA

AU271148 Sofia RABOTNICHESKO DELO in Bulgarian 25 Feb 87 pp 1, 6

[Interview with Flavio Bravo Pardo, president of the National Assembly of the Republic of Cuba, by RABOTNICHESKO DELO special correspondent Mitko Bozhkov in Havana: "Parliamentary Democracy: a Sound Basis for the Revolution" -- date not given; first paragraph is Bozhkov's introduction]

[Excerpts] The National Assembly possesses great authority. Everyone who visits socialist Cuba becomes convinced of this. What are the roots of the people's trust in the supreme organ of popular power? We sought answers to this question from Flavio Bravo Pardo, president of the National Assembly. [passage omitted]

[Bozhkov] How do you view the presence of Bulgarian specialists in Cuba and the prospects for Bulgarian Cuban cooperation?

[Bravo] We highly value the work of the Bulgarian citizens in Cuba. They are working with a communist and internationalist spirit. We hold a very good opinion of their caliber both as competent specialists and as revolutionaries. We love the Bulgarians because of their principled position and conduct. They are helping us in a truly sincere and unselfish manner. We thank them!

It is no exaggeration to state that Cuban-Bulgarian cooperation is a model for friendly, fruitful relations. Genuine mutual trust exists between us, as well as the desire to develop comprehensive ties. We are trying to increase the role of the two countries' parliaments in the deepening cooperation between Cuba and Bulgaria in the various fields of economic and cultural life. We share a common desire to contribute to improving the knowledge that the two peoples have about one another. We also have our part to play in implementing the Program for Economic, Scientific, and Technical Development Until the Year 2000, signed in Moscow on 4 March 1986 by Comrades Fidel Castro and Todor Zhivkov. There are promising prospects for work-sharing between our countries in the production of computer equipment and for cooperation between us on the scientific front.

TRADE VICE MINISTER BETANCOURT ON EXPORTS

PA261712 Havana International Service in Spanish 2300 GMT 25 Feb 87

[Interview with Foreign Trade Vice Minister Alberto Betancourt, by Barbara Betancourt; date and place not given -- recorded]

[Text] [B. Betancourt] What are Cuba's main exports?

[A. Betancourt] Cuba's main exports are, first, crude and refined sugar; mining products, particularly nickel; citrus fruits, which have experienced great development in recent years; tobacco; fish products; some national fuels such as crude petroleum, naphtha, and gasoline; processed sugar cane products; coffee; some new industrial products such as some electronics products including alphanumeric displays, offset paper, paints, and the printing of books and other printed matter; some perfume products, etc.

[B. Betancourt] Do those products go to both capitalist and socialist markets?

[A. Betancourt] Yes, although it must be pointed out that our exports to socialist countries are much higher in volume and value than those to capitalist countries. Nevertheless, because of their characteristics, some of the products that I just mentioned are essentially exported to developing countries with an economic development level similar or lower than ours. They are the ones that can assimilate those types of products, especially the industrial ones. In the case of the socialist countries, sugar has a very important place especially because of the prices that these CEMA member-countries pay us. They are very fair and just preferential prices. This is especially so with regard to the price paid by the Soviet Union, which in recent years has been approximately 10 times more than the price prevailing in the free international market.

[B. Betancourt] In reality you mentioned many Cuban exports. In which of those products has Cuba become the biggest exporter or hold one of the top positions in the world?

[A. Betancourt] It has been known for many years that Cuba is the largest world exporter of sugar. We are also the fourth largest world exporter of nickel and we are on our way to becoming one of the top 10 fresh citrus fruit exporters. As I said earlier, it is a product that has experienced great development. We also have a unique product which cannot be compared to any other as far as position is concerned, and that is Cuban tobacco, which has no comparison with tobacco produced elsewhere.

[B. Betancourt] We have greatly diversified our exports. This is evident if we compare what we exported prior to 1959 and the first years of the revolution with what we currently export, as you have just mentioned. Nevertheless, is there any interest in introducing other products into the international market?

[A. Betancourt] Yes, there is a directive of the party and government to develop the exports of the metal-working industry, in which the revolution has made important investments. It had been basically directed at the domestic market, but in current conditions there are possibilities of exporting some of these products. At this time, we are exporting to some countries, especially in sub-Saharan Africa, products such as harrows, plows, semitrailers, batteries, and spark plugs.

[B. Betancourt] What are the prospects of increasing our trade relations with Latin America?

[A. Betancourt] Well, we must mention that in the last few years there has been development of trade with Latin America, particularly with Mexico and Argentina, followed by Nicaragua and Guyana. There were some operations -- not as outstanding as those with the previous countries, but also important -- with Ecuador, Peru, and Venezuela. The Brazilian market has now been opened with the reestablishment of diplomatic relations. It is a market that has interesting prospects. In the case of Argentina, there is also an important development, as I previously said. At this time, we are working jointly for the development of Cuban exports to balance the trade. In the last few years, we signed with Argentina and Mexico the agreements called partial-scope agreements which represent the granting of mutual tariff preferences. They are being negotiated with Peru and Uruguay. This would permit better access to those markets by Cuban products.

[B. Betancourt] What essential differences exist between the trade or the result of the trade that we carry out with socialist countries and capitalist countries?

[A. Betancourt] Well, the conditions in which the trade is carried out is totally different. In the first place, in the case of the developed capitalist countries the prices that we have been paying in recent years -- for example, if we compare 1985 with 1980 -- have increased 16 percent. Nevertheless, when we compare this to our export prices, we see that there has been a substantial reduction. This causes a deterioration in the terms of exchange with that area. With the socialist countries, on the contrary, particularly with CEMA members, thanks to the preferential prices that I mentioned previously, the situation is totally different. In times when the price of sugar has been extremely low, we have been paid by the socialist countries, particularly the USSR, sugar prices that in some cases were 10 times higher than the price on the world market. In the same way, in the specific long-term programs dealing with citrus fruits and nickel, we also received preferential prices from the socialist countries as a result of a decision of the CEMA summit which ratified the existence of the principle in the CEMA statutes of equalizing the standard of living among the CEMA members. This entails special treatment for Cuba, Mongolia, and Vietnam in that organization.

DOMESTIC TRADE MINISTRY MODIFIES RICE QUOTAS

FL031500 Havana Radio Progreso Network in Spanish 1200 GMT 3 Mar 87

[Text] The Ministry of Domestic Trade has issued an official report indicating that additional amounts of rice will be supplied during the months in which potatoes were supposed to substitute for rice. The measure only applies to workers and school lunchrooms and others in the western part of the country. These lunchrooms will be able to serve rice at least every other day during the months of March, April, and May.

COMMITTEE CITES NEED TO ELIMINATE 'INTERRUPTOS'

FL281658 Havana Radio Reloj Network in Spanish 1522 GMT 28 Feb 87

[Text] Francisco Linares, minister president of the State Committee for Labor and Social Security [CETSS] has said in Havana that there is a possibility there will not be a single laborer this year who remains on the payroll while being without work [interruptos].

The above was reported at the CETSS assessment meeting, which reviewed that organization's work during 1986 as well as its goals for 1987.

During the meeting, the head of CETSS said the state had to pay more than 79 million pesos during the 10-year period from 1976-86 for laborers who remained on the payroll and were not working.

Just last year, said the leader, there was an average of 26,000 workers in this situation and this cannot be repeated in 1987.

The CETSS minister president also stressed that it is necessary to apply knowledge and promote efforts to eliminate negative tendencies in the sector. He also discussed normalization of production, which is suffering from the lack of a true source of professionals with the qualifications needed to carry out their responsibilities. There is a process being carried out in the country to educate the cadres in this area, he said.

During the meeting, a group of workers received awards for their outstanding efforts last year and they were congratulated by the administration of the Central Organization of Cuban Trade Unions [CTC] in Havana.

Alfredo Morales Cartaya, secretary general of the CTC in Havana, called on all CTC workers to concentrate their efforts on efficiency.

MATANZAS SUGAR MILLS OUTPUT FOR 2 MARCH REPORTED

FL022345 Havana Radio Reloj Network in Spanish 2153 GMT 2 Mar 87

[Text] Breakdowns and interruptions in operations, shortage of sugarcane, and lack of cleanup and maintenance in some units have limited today's grinding in Matanzas to 87 percent of potential. At the end of the workday, 5 sugar mills went beyond effective, 2 processed for a 100 percent, and of the remaining 13, only 5 exceeded the national average of 85 percent. Monday's results in Matanzas can be viewed as unsatisfactory owing to the large amount of time lost, although it should be pointed out that the sugar mills with bigger capacity reacted in an acceptable manner.

Despite reiterated assertions, Matanzas agroindustry is not keeping up with the grinding nor growing in efficiency. March is a decisive month and must be made good use of so as not to prolong the harvest beyond April.

BALAGUER REAFFIRMS WILLINGNESS TO PAY DEBT

PA281654 Paris AFP in Spanish 0203 GMT 28 Feb 87

[Text] Santo Domingo, 27 Feb (AFP) — Dominican President Joaquin Balaguer reaffirmed today that his government is willing to pay the country's foreign debt but will not accept extortion. At the same time, he claimed that his 6-month-old administration has restored faith in a democratic system that has solutions, that does reward, and that does punish.

The president gave the traditional State of the Nation speech today — the Day of Independence — before the National Congress, made up by the two legislative chambers.

Regarding the country's \$4.2 billion foreign debt, Balaguer stated that it practically exceeded national production and that the creditors' demands could not extort the people.

The Dominican Republic faces payments of approximately \$700 million in amortizations and interest this year. This amount almost equals the country's projected export income and it has limited its payments to selected interest in the last months as it is unable to pay all its commitments.

Balaguer pointed out that one of the main achievements of his administration, that started 16 August 1986, is to eliminate corruption and irregularities that according to the present officials characterized the administration of his predecessor, Salvador Jorge Blanco of the social democrat Dominican Revolutionary Party (PRD).

NEW PARAPOLICE ORGANIZATION CALLED 'BETRAYAL'

FL271544 Santo Domingo Cadena Brea Pena in Spanish 1130 GMT 27 Feb 87

[Text] The principal advocates of occupying public premises to demand appointment of Reformist Party followers have rejected the organization of the so-called pro-Balaguer peace sentinel units [unidades sentinelas Balagueristas por la paz]. Lic Domingo Gutierrez and Eng Jose Ramon Diaz, speaking for the vindication movement of the Reformist Party's grass-roots, said that organizing this kind of unit is a betrayal to the democratic position of Dr Joaquin Balaguer. The Reformist members said the government the people elected on 16 May 1986 would be defended by all Dominicans and no particular group should assume this defense.

Gutierrez and Diaz recalled that the Dominican Armed Forces are bound by the constitution to safeguard institutionality and to defend legitimately constituted governments. They appealed to General Ney Tejeda Alvarez, retired, and Drs Baron Sucart Mella and Victor Cordoro to disband the parapolice group because its creation offends Dr Balaguer.

ANTIGUA AND BARBUDAOPPOSITION LEADER EXPLAINS PARTY PLATFORM

FL031403 Bonaire Trans World Radio in English 1130 GMT 3 Mar 87

[Text] An opposition politician from Antigua and Barbuda vows in New York that he will decentralize the government if his party comes to power. He said the new administration under the National Democratic Party, the NDP, would establish a system of village councils in a form of local governments to give communities more control of their affairs. The NDP leader also believes that local governments would open up more possibilities for talents in people to enter public life.

BAHAMASSECURITY MINISTER REJECTS RESIGNATION 'RUMORS'

FL032000 Nassau Domestic Service in English 1800 GMT 3 Mar 87

[Text] National Security Chief Mr Loftus Roker has banked recent rumors that he has resigned or intends to resign from the Cabinet. Minister Roker, in a special interview for TV 13 yesterday, said he has not resigned and has not written any resignation letter. He says he's not sure how the rumors got started.

[Begin Roker recording] I suppose that some people see that I'm dissatisfied with a lot of things [words indistinct] and I make no secret of my position. Over the years I've made pronouncements about various things, and I suppose those who observe the scene can do some accurate -- or what they may call accurate -- guessing of what my position may be. I can only guess that that may be one of the ways the rumors came out. [end recording]

5,000 MARCH IN NASSAU TO PROTEST DRUGS

FL021946 Nassau Domestic Service in English 1800 GMT 2 Mar 87

[Text] The turnout was about 5,000 for yesterday's drug march, organized by the Mothers Against Drugs organization. National Drug Council president Dr David Allen, Mothers Against Drugs [MAD] [words indistinct] (Ruth Ender), and U.S. Ambassador Mrs Carol Hallett were among the marchers yesterday.

Although the crowd was not as big as the earlier march against drugs, [words indistinct] MAD officials say they were pleased with the response. That march started at Christie [word indistinct] on Nassau Street and ended up in Roselawn Square, where there was a rally. There were several speakers at that rally, including the Reverend Charles Fondas, who was the principal speaker and [words indistinct] the challenge.

JAMAICASEAGA SAYS GOVERNMENT TO FOCUS ON SOCIAL ISSUES

FL021346 Bridgetown CANA in English 1931 GMT 28 Feb 87

[Text] Kingston, Jamaica, Feb 28, CANA -- Prime Minister Edward Seaga, again signalling his intention not to bow to opposition pressures for early elections, says his priority is to put Jamaica's social house in order.

Speaking to life insurance executives yesterday, Seaga said his six-year-old government had already attacked Jamaica's economic problems and was now focussing on social issues. On that basis it will be left to the people to determine the way to get their political house in order, Seaga said.

Michael Manley's People's National Party has been pressing Seaga to hold elections before they are constitutionally due at the end of 1988, and has said it will start protests if an election date was not forthcoming by April.

But Seaga told the insurance executives: "In this coming financial year (April) when I present the next budget ... it will be evident that we are now in a position to deal seriously with some of the social problems. Social programmes have been put on the back burner by this administration under its economic austerity programme. Seaga charged that it was economic mismanagement by the PNP government of the 1970's that forced his administration to make economic matters its priority on assuming office. He inherited a J900 million dollars [Jamaican dollars] deficit from the outgoing PNP administration while in the early 1970's the country had reserves of J200 million dollars, the prime minister said. Indeed, it was an attempt to solve the social problems with no regard to the economic problems that caused the further problems, he added. Seaga said his government had not been able to totally reverse the economic situation because of the collapse of the world's bauxite market, but had been able to reduce the budgetary deficits, which should be close to zero by 1990.

MANLEY DENIES PNP INVOLVED IN DRUG TRADE

FLO31405 Bonaire Trans World Radio in English 1130 GMT 3 Mar 87

[Text] Marijuana production in Jamaica is reportedly on the upswing. Last week, former Jamaican Prime Minister Michael Manley met with a U.S. official to discuss drug eradication efforts in Jamaica. At a news conference Mr Manley denied suggestions by the Jamaican Government that his Peoples' National Party [PNP] is involved in the marijuana trade. He says he supports all efforts to stop marijuana production in Jamaica.

OPEC PRESIDENT HERE TO OPEN OIL COMPANY OFFICES

FLO21602 Bridgetown CANA in English 1519 GMT 2 Mar 87

[By Paget de Freitas]

[Excerpt] Kingston, Jamaica, March 2, CANA -- OPEC president, Nigerian Rilwanu Lukman, charged here last night that oil market manipulators were drawing down on their own stocks and spreading rumours to give the impression that the oil cartel is breaking last December's agreement to keep production to around 15.8 million barrels a day. Their aim, Lukman told journalists here, was to pull oil prices below the average US\$18 dollars per barrel set by the organisation. People are playing a waiting game to try to test the will of OPEC by drawing down more of their stock than they would have done normally, and this is having the effect of giving an apparent excess supply on the market, which we know is not real, said Lukman, who is also Nigeria's oil minister.

The OPEC president, who came to this Caribbean island to open that new headquarters building of the Petroleum Corporation of Jamaica (PCJ), did not name the actors in this scenario, but said they were also spreading stories and rumours about the excess production.

However, he added, despite probable minor deviations by one or two member-countries basically OPEC is producing around what it said it would produce, if not far less than what we said we would. [passage omitted]

TRINIDAD TO LIFT INTRAREGIONAL TRADE BARRIERS

FL272033 Bridgetown CANA in English 1736 GMT 27 Feb 87

[Text] Kingston, Jamaica, Feb 27, CANA -- Jamaica says it is satisfied that Trinidad and Tobago is committed to removing its barriers to intra-regional trade over time.

Prime Minister Edward Seaga gave this assessment on radio last night while reporting on recent talks with the new Trinidad and Tobago leader A N R Robinson.

I am satisfied they are committed to freer trade and committed to removing the impediments, the Jamaican prime minister said.

However Seaga said he had been told by Robinson that Trinidad and Tobago's depleted reserves would not allow it to push through its actions immediately and fully.

A bit of tip-toeing is going on once they review that situation, Seaga said.

Faced with dwindling demand for oil culminating in last year's collapse of petroleum prices, the former Trinidad and Tobago Government of ex-Prime Minister George Chambers imposed import licensing restrictions to defend its reserves.

Port of Spain was also concerned with Jamaica's heavy currency devaluations and import deregulation policy that made its exports more expensive as well as opening them to further competition from extra-regional products.

Trinidad and Tobago's response worried partners in Caricom, shut out of the Caribbean community's strongest market.

Jamaica and Trinidad and Tobago have argued that if they, as the community's two most important markets, got trade moving again, the rest of the region would fall in line.

Both countries signed bilateral agreements to stimulate trade.

Between January and November last year Jamaica exported U.S. 13.7 million dollars to Trinidad and Tobago and imported U.S. 16.7 million dollars for the corresponding period in 1985 Jamaica's exports were U.S. 14.1 million dollars and imports were U.S. 22.5 million dollars.

With Caricom as a whole Jamaica maintained about [the] same level of exports for the first 11 months of 1985 and 1986 at around U.S. 37.6 million dollars, however imports fell from U.S. 31.9 million to U.S. 29.1 million dollars.

TRINIDAD AND TOBAGO

GOVERNMENT ENDS DEBATE ON DRUG REPORT

FL190038 Bridgetown CANA in English 2339 GMT 18 Feb 87

[Text] Port of Spain, Trinidad, Feb 18, CANA -- Despite widespread public expectation, government today wound up debate on the controversial Scott drug report without naming the ministers of the former administration linked to drug trafficking in the document.

Prime Minister ANR Robinson, in winding up [the] debate this evening, sharply criticised the former government for doing nothing with the report, handed over a year ago, which indicted four former ministers and creating the chaotic situation his one-week old administration had inherited.

During a 45-minute speech, Robinson repeated calls for the country to rally behind his government's planned action against the illicit drug trade. He also apologised to those named in the report who might have suffered from its publication just over a week ago.

Robinson said government chose the course of lesser damage by publishing the report which showed the danger the country was in and he was prepared to let legal processes take their course.

Asked about his threats last week to name the four ex-ministers mentioned in the report and said to be named in the reports accompanying verbatim evidence, Robinson told CANA: We deliberately kept away from names in the debate.

Asked whether government might release the names in the future, Robinson said: Well, let's see.

In an earlier contribution, one of the three opposition MP's [members of Parliament], newcomer Morris Marshall, urged government to release the names of the former People's National Movement (PNM) ministers mentioned in the report. If we have previous ministers involved, let the law take its course, said Marshall, causing applause from both sides of the house. We are saying on this side, let this be cleared up. Let us name names. Marshall called for the amendment of existing anti-drug laws and life imprisonment for public officers convicted of links with the drug trade. Marshall, the only member of the three-man opposition team who was not in the previous cabinet, said MP's and ex-politicians convicted should also face life imprisonment. This is a very serious matter, said Marshall. Drug runners must understand that they are on the run.

GOVERNMENT SPONSORS CONGRESS TO DISCUSS CRISIS

FL031843 Paramaribo International Service in English 1730 GMT 3 Mar 87

[Text] Tomorrow, a national congress on the crisis and perspectives starts here on the initiative of the Government of Suriname. The congress is aimed at bringing together all those involved in the development of the country. It is hoped that the deliberations at the congress will pave the way for a joint starting point in solving the current crisis in the country.

Top speeches are to be delivered by Mr (Iliaf) of the bauxite institute, who will talk about the bauxite and energy situations; a representative from the trade union movement who will deal with employment; Mr (Joseph Rahim), who on behalf of the three traditional political parties will speak on economic crisis and perspectives; and Miss (Sandra Hoodhallock) of the February 25th Movement, who will tackle the questions of scarcity and organization.

The speeches and panel discussions will be broadcast live on radio and listeners can contribute to the congress through calling telephone service [as heard]. It is hoped that on Saturday [March], when the congress is expected to be concluded, there will be enough insight to put together a package to solve the current crisis.

VENEZUELAN HELP SOUGHT IN RIFT WITH THE HAGUE

PM021455 Amsterdam DE VOLKSKRANT in Dutch 23 Feb 87 p 3

[Han Hansen report. "Suriname Requests Venezuelan Mediation"]

[Excerpts] The Hague/Paramaribo -- It appears that Suriname has asked Venezuela not only for emergency economic aid, but also for mediation attempts in Suriname's deep conflict with the Netherlands. In a television speech Friday night [20 February] Army leader Bouterse announced a crisis plan designed to give Suriname greater economic stability. He promised the people food and spare parts and announced investments designed to increase rice, timber, fish, and banana exports. [passage omitted]

The Surinamese request to Venezuela for its good offices in the conflict with the Netherlands was delivered to Caracas by government adviser Henk Heidweiler, Army leader Bouterse's chef de cabinet. Heidweiler told the Venezuelan authorities that after its initial refusal Suriname is now prepared to admit two UN observers to investigate human rights.

Netherlands Second Chamber Deputies Ter Beek (Labor Party) and Weisglas (People's Party for Freedom and Democracy) attach great importance to an imminent mediation attempt between Army leader Bouterse and rebel leader Brunswijk. This attempt will be made by a mixed delegation of European Parliament deputies and parliamentarians from developing nations associated with the EEC.

According to liberal Weisglas, the heart of the problem is not to be found in relations between The Hague and Paramaribo. "It is chiefly the unacceptable situation in Suriname itself," Weisglas said. "Before anything else the Bouterse regime should restore law and order."

Ter Beek said that international pressure and the internal tensions in Paramaribo led to Heidweiler's announcement that the UN observers would be welcomed in Paramaribo after all. The announcement could also be intended to soften The Hague's tough criticism of human rights violations. The growing international attention that is being directed toward Suriname has had the positive effect of making the problem more than just a Netherlands concern, Ter Beek said. [passage omitted]

UN Human Rights Visit

FL271902 Paramaribo International Service in English 1730 GMT 27 Feb 87

[Text] The Government of Suriname has invited a special rapporteur of the United Nations Human Rights Commission, Dr (Amos Wakle), for a visit to this country. During his stay in Suriname, Dr (Wakle) will talk among other things about democracy and human rights. The authorities are of the opinion that such a move is the best answer to the misleading reports which the Dutch media spread about Suriname internationally.

FRENCH MILITARY ATTACHE VISITS MARINE BASE

FL031923 Paramaribo International Service in English 1730 GMT 3 Mar 87

[Text] Yesterday, the French military attache to the region Major (Pierre Anoire) paid a visit at the marine base of the National Army. According to the national information service, the visit took place in the framework of the friendly relations between Suriname and France.

Commander of the marine (?ring), Sargeant Major (Mueller), who played host, held discussions with the French military attache. The national information service says that with this visit again it is clearly shown that a good cooperation between Suriname and France also in the military field is getting closer and closer [as heard].

SUPPORT GROUP DRAFTS FOOD DISTRIBUTION PLAN

FL271850 Paramaribo International Service in English 1730 GMT 27 Feb 87

[Text] A new distribution plan has been drafted to bring order to the distribution of scarce food items. The plan is submitted by the trade unions and women's organization which make up the support group for consumer affairs. The group, which is in the Ministry of Transport, Trade and Industry [word indistinct] some time ago. It recommends that goods must be distributed to households by the shops in the area. There should be a central point from where the plan will be executed nationally, and everyone should have equal chances and possibilities to obtain the scarce items.

HIGH SCHOOLS REOPEN AFTER STUDENT UNREST

FLO31431 Bonaire Trans World Radio in English 1130 GMT 3 Mar 87

[Text] In Suriname, the government has reopened high schools in Paramaribo as of yesterday after they were closed for a week because of student unrest. The Surinamese News Agency reports students in some schools returned home instead of attending classes.

Student Safety Questioned

FLO31915 Paramaribo International Service in English 1730 GMT 3 Mar 87

[Text] Today, the students of three high schools again refused to follow classes. This morning, the directors of these schools were not available for comments. However, when contacted the director of the Ministry of Education [name indistinct] said that according to the students the refusal to follow classes came from the unsatisfaction over the guarantee for their safety earlier given by the minister of education. The students feel that such a guarantee should not have come from the minister of education.

[Name indistinct] said that at 11 o'clock this morning a meeting was expected to take place in the ministry at which representatives of the students were expected to attend.

PALM OIL WORKERS ENDANGERED BY LACK OF PRODUCTION

FL261812 Paramaribo International Service in English 1730 GMT 26 Feb 87

[Text] A quick change must come about in the palm oil company if this sector is to be free from problems. This was remarked by company director (Oscar Buddi) during a meeting with workers of the company.

He told the workers about his great concern over the present situation. After the damages to the company late last year, the palm oil company has scarcely produced and this has endangered the livelihood of the workers.

There is to be a deliberation with the workers union of all three companies, Victoria (Peder), and Patamacca.

In relation to Patamacca, the director said it was impossible to express his view on the current situation. After Patamacca went up in flames in October of last year, workers were forced to vacate the area hurriedly, leaving their belongings behind. However, when the workers tried later to retrieve them, they were beaten and driven away by members of the Brunswijk Gang.

Director (Buddi) doesn't as yet advise liquidation of one or more of the companies because of circumstances beyond their control.